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ALLIANCE

# A User Guide to the Inflation Reduction Act: How New Investments Will Deliver Good Jobs, Climate Action, and Health Benefits

## INTRODUCTION

The transformational power of the Inflation Reduction Act cannot be overstated. This legislation—passed by Senate and House Democrats and signed into law by President Joe Biden on August 16, 2022—will revitalize U.S. manufacturing, grow clean energy, and support and create good union jobs across the country. It will tackle climate change by reducing emissions [up to 42%](#) by 2030 and create the good-paying, union jobs we need to give all workers the opportunity for a middle-class life. The Inflation Reduction Act demonstrates that we can have both good jobs and a clean environment.

The Inflation Reduction Act will:

- Grow clean energy and drastically reduce emissions while creating high-quality jobs in the clean economy through proven standards that lift up job quality;
- Make historic investments to expand clean energy and electric vehicle (EV) manufacturing;
- Transform the industrial sector to reduce emissions and build our own supply chains for vital technologies;

- Accelerate clean vehicle deployment and a whole-of-government approach to address this source of greenhouse gas and health-harming emissions, while also creating and preserving good union jobs, supporting and growing a domestic supply chain for vehicle components and technologies, and improving mobility and air quality in our neighborhoods;
- Establish a host of critical investments in clean energy infrastructure, transmission, energy efficient homes and buildings, affordable housing, and resilient and healthy communities; and
- Sustain and expand high-quality jobs to workers and in communities that need them the most, including low-income workers and workers living in communities that have been hit hard by energy transition or job outsourcing.

An analysis from the Political Economy Research Institute (PERI) at the University of Massachusetts Amherst [commissioned by the BlueGreen Alliance](#) found the more than 100 climate, energy, and environmental investments in **the Inflation Reduction Act will create more than 9 million jobs over the next decade**—an average of nearly 1 million jobs each year (see Table 1).

**Table 1: Job Creation Estimates from Investments in the Inflation Reduction Act**

Policy Area	Job Creation Potential over 10 Years
Clean Energy Investments	5,000,000
Clean Manufacturing Supply Chains	900,000
EVs and Clean Transportation	400,000
Energy Efficiency Improvements for Homes and Offices	900,000
Environmental Justice and Climate Resilience	150,000
Natural Infrastructure	600,000

Political Economy Research Institute (PERI) at the University of Massachusetts Amherst

More specifically, the report found:

- Expanded **tax credits to support manufacturing of clean energy technologies—from solar to wind to batteries**—would support the creation of **more than 67,000 jobs each year over a decade.**
- A new program to invest in **pollution-reducing upgrades at steel, aluminum, cement, and other emissions-intensive manufacturing facilities** would create nearly **12,000 jobs each year over a decade.**
- The investments in just two programs—the **Advanced Technology Vehicle Manufacturing (ATVM) Loan Program and the Domestic Manufacturing Conversion Grant Program**—that will prepare facilities for EV and other clean transportation manufacturing would create **more than 7,000 jobs each year over a decade to retrofit those facilities.** They would also create or sustain hundreds of thousands of long-term jobs at thousands of factories established, expanded, or retooled with federal support and more throughout the economy.
- The nearly \$3 billion dollars to **update and modernize our transmission infrastructure** would create **nearly 4,000 jobs each year over a decade.**

This law represents a game-changing investment in the nation’s economy. It will make our nation and economy stronger, cleaner, and more just. The robust investments included in this package will support and create good union jobs, help fight inflation, lower healthcare and energy costs, reinvest in domestic manufacturing, build secure supply chains, and make our economy less dependent on

volatile global prices. At the same time, it will take bold action to confront the climate crisis, invest in economic and racial justice programs, support clean air and water, and power our nation for generations to come.

The Inflation Reduction Act demonstrates that we don’t have to choose between good jobs and a clean environment, as some falsely claim. This legislation supports both.

### A User Guide

Many of the programs and policies included in the law are new or expanded, and wading through the processes of utilizing these new funding sources efficiently and to their maximum benefit may be somewhat overwhelming.

The purpose of this user guide is to act as an easy reference for a number of policies and programs included in the law in eight broad areas:

1. Clean Energy
2. Clean Technology Manufacturing
3. Industrial Transformation
4. EV Deployment, Manufacturing, and Supply Chain
5. Transmission
6. Buildings
7. Energy Transition for Workers and Communities
8. Resilient and Healthy Communities

We explore the goals, timelines, and implementation mechanisms for each of these policy areas. In doing so, we hope this resource helps ensure the funds from the Inflation Reduction Act are maximized to benefit workers, their families, and communities by achieving job quality as well as climate, health, and equity gains.

We explore how the law addresses job quality and equity; break down the implementation mechanisms included in the legislation and explain how they operate; outline some key provisions in the law; and provide an easy-to-reference grid of some of the key provisions and how they work.

The law is expansive and includes tax policy and health care provisions that—while significant—fall outside of the scope of this resource. The provisions we have selected for a deeper dive in this user guide all touch on the intersections between good jobs, a stable climate, a clean environment, and a fair and just economy.



## THE BIPARTISAN INFRASTRUCTURE LAW

The investments in the Inflation Reduction Act complement those in the \$1.2 trillion Bipartisan Infrastructure Law (BIL)—also known as the Infrastructure Investment and Jobs Act—which was signed into law by President Biden on November 15, 2021. The investments and policies included in this law—some of which are already being released by federal agencies—will rebuild and modernize our nation’s crumbling infrastructure and create good-paying, union jobs across the nation while making some important investments to address climate change. At the same time, there are concerns with some of the law’s provisions, and careful attention to implementation will be needed to ensure the law translates into benefits for the environment and communities.

The BIL includes billions in reauthorizations of existing programs as well as \$550 billion in new federal infra-

structure funding over five years to repair, rebuild, and modernize America’s bridges, transit systems, water infrastructure, and more. While more than half of the law’s funding is dedicated to transportation infrastructure—including surface transportation, airports, zero-emissions school buses, EV charging, ports, public transit, railways, and more—it also provides significant funding for broadband, the power grid, water infrastructure, improving resiliency, and legacy pollution reduction.

This law will support and create high-quality union jobs, not only at construction job sites, but at manufacturing facilities across the supply chain through the use of strong Buy America and Buy American provisions.

The BlueGreen Alliance previously released a user guide breaking down the investments in the BIL. [You can find that resource here.](#)

## IMPLEMENTATION OVERVIEW: HOW THE MONEY MOVES

Successful navigation of the federal funding made available by the Inflation Reduction Act will require familiarity with 1) the mechanisms through which federal programs are implemented and 2) the different ways federal funds flow from federal agencies, whether through states—and, ultimately, to communities—or directly to eligible entities. For each of the policies we explore in this guide, we have identified which mechanism will be used in the grids included in this document. Below, we provide more information on those mechanisms and how they generally operate.



### ELIGIBLE ENTITIES

In broad terms, the funding made available in the Inflation Reduction Act flows in one of two ways: either to states—which then utilize the funds themselves or distribute them to local governments, communities, or private entities—or directly to private entities and/or individuals.

Which entities are eligible for each program or funding opportunity will depend largely on what type of funding structure that program utilizes. For example, block grants are distributed to state and local governments and not to private entities. Alternatively, consumer tax credits are distributed to individuals, bypassing state and local governments. Loans—like those made available by the U.S. Department of Energy (DOE) through their Loan Programs Office (LPO)—can be awarded to a wide range of entities.

In the section below, we explore the different funding mechanisms and, where possible, note what entities are typically eligible for that type of funding. Additionally, you will find eligible entity notes for each program included in the charts included in this document.

### Grants

At its most basic, a grant provides government funding that is not expected to be paid back. However, within this broad category, there are several subtypes of grants that are used to distribute funding in the Inflation Reduction Act.

#### **Mandatory Grant:**

A mandatory grant is any grant in which funds are automatically awarded to all eligible applicants. Mandatory grants are not typically given to private organizations or individuals. Rather, they are awarded to state or local governments. Mandatory grants are typically created by legislation that appropriates money for a specific program and determines eligibility for lower levels of government to receive the money to implement the program.

Block grants—like the Environmental and Climate Justice Block Grants included in the Inflation Reduction Act—and formula grants—such as the High-Efficiency Electric Home Rebate included in the law—are usually subsets of mandatory grants. We explore these subsets in more detail below. Discretionary grants are mutually exclusive from mandatory grants.

#### **Formula Grant:**

A formula grant is a type of mandatory grant where funds are disbursed according to a “formula,” or a fixed set of criteria usually written into the enabling legislation. The formula dictates whether an entity is eligible for funds, and if so, how much. If an entity meets the formula, the award is automatic. The formula may be as simple as a flat dollar amount per unit of population, or it may be much more complex, including various funding, eligibility, program, and compliance criteria. However, it is always intended to be quantitative and objective.

Formula grants are typically awarded to either state or local governments. Large federal spending

programs are often structured as formula grants to states, where every state receives an amount of funding based on its population and other characteristics, and then spends this funding to implement the program.

Formula grants are quite similar to block grants, and many programs qualify as both. When a distinction is made, block grants provide more flexibility and breadth to the awardees, while formula grants have more specific and quantitative funding structures and requirements. Formula grants that are not considered block grants may instead be considered as categorical grants.

#### **Block Grant:**

A block grant is a mandatory grant awarded to a government entity by a larger government entity to fulfill a broad set of government functions. In the case of a federal block grant, the government defines a set of functions to be carried out, and then awards grants to state or local governments to carry out those functions at their own discretion. A prominent example included in the Inflation Reduction Act is the Environmental and Climate Justice Block Grant, which can be used for community-led monitoring and remediation of emissions, mitigating the effects of urban heat islands, and facilitating the engagement of disadvantaged communities in federal and state policymaking.

Block grants are quite similar to formula grants, and many grant programs qualify as both. Block grants are mutually exclusive from categorical grants, as block grants give broad discretion to awardees to spend their funds, while categorical grants have highly specific requirements.

#### **Discretionary or Competitive Grant:**

A discretionary grant, also called a competitive grant, is a grant where awardees are chosen among a pool of applicants based on a review process. The review process will generally involve a set of fixed criteria based on the grant program, funding agency, or specific Request for Proposal (RFP), but it will also most likely involve some degree of subjective judgment.

Federal discretionary grants are typically awarded by federal agencies. There may be enabling legislation that allocates money for a specific grant program, or the grant program may be created by the agency using its existing budget. Either way, the agency typically has a good amount of control over how to

evaluate applicants and award funds. State and local government agencies, private companies, nonprofits, labor unions, and individual people may be eligible applicants, depending on the grant program.

Mandatory grants are mutually exclusive from discretionary grants.

#### **Categorical Grant:**

A categorical grant is any grant from the federal government to state and local governments to fund a highly specific set of programs and activities. Head Start is a classic example of a categorical grant in which the U.S. Department of Health and Human Services (HHS) funds local awardees to operate childcare programs following a specific set of federal guidelines.

Categorical grants may be structured as either mandatory or discretionary grants, and they may be structured as formula or project grants. Categorical grants are mutually exclusive from block grants, as block grants give broad discretion to awardees to spend their funds, while categorical grants have highly specific requirements.

#### **Project Grant:**

A project grant is any grant awarded to fund a specific project, initiative, or service. These are typically competitive and may be awarded to government agencies, nonprofits, or private companies. Project grants are often considered a subset of categorical grants. The U.S. Department of Transportation's (DOT) Capital Investment Grants are an example of a project grant program.

## **Loans**

Broadly, loans are pools of government funding that are expected to be paid back, unlike grants. There are a number of loan programs included in the Inflation Reduction Act.

#### **Basic Loans**

The Inflation Reduction Act authorizes or funds the federal government to make loans for a variety of purposes. Particularly critical to the clean energy and manufacturing investments we highlight in this document are loans that would be administered by the DOE's LPO, which operates programs to provide financing for clean and advanced energy, industrial, and clean vehicle manufacturing projects. The benefit

of working with the LPO for a project is that these loans are lower cost, the LPO is able to offer more flexible financing options, and the office remains involved in the project for its lifetime—offering access to DOE’s team of experts to help ensure the success of the project.

### **Loan Guarantees**

In some instances, DOE or other agencies are also able to provide loan guarantees—which reduce the risk of a project by having the federal agency agree to assume the debt for the loan should the borrower default—or coordinate with other parts of the federal government to provide a mix of grant, loan, or other financing.

### **Bonds**

A bond is a security issued in exchange for a loan—essentially as an “IOU.” An entity can raise money by issuing a bond and selling it for cash to an investor. The bond typically stipulates a rate of interest to be paid over the life of the bond and a date of maturity when the principal is to be repaid in full.

There are a plethora of specific government bond programs designed for specific types of spending, projects, and circumstances, such as Qualified School Construction Bonds and Recovery Zone Economic and Facility Bonds.

### **Tax Credits and Deductions**

Project developers, manufacturers, and consumers are able to offset some of the cost of projects and purchases through tax credits. A variety of tax credits are used throughout the Inflation Reduction Act to incentivize the use and manufacture of clean technology.

#### **The Basics: Refundable vs. Nonrefundable Tax Credits and Direct Pay**

Tax credits fall into two broad categories, refundable and nonrefundable. A refundable tax credit can be used to generate a federal tax refund larger than the amount of tax paid throughout the year. A nonrefundable tax credit can only offset taxes owed and not increase an applicant’s federal refund. Therefore, a refundable tax credit can guarantee a benefit and a nonrefundable credit cannot. All of the forms of tax credits discussed below may be refundable or nonrefundable.

Direct pay—which the Inflation Reduction Act applies to some tax credits—goes a step further, allowing developers to treat the tax credits as payments of their tax liability. Direct pay acts as a financing option for entities to receive their credit upfront, allowing them direct capital instead of relying on the tax equity financing market. Direct pay is available for the Investment and Production Tax Credits for eligible entities, including state, local, and tribal governments and tax-exempt entities.

#### **Investment Tax Credits**

The Inflation Reduction Act includes Investment Tax Credits (ITC)—dollar-for-dollar credits to offset expenses—for investments in renewable energy projects and the build out of manufacturing facilities to produce parts and materials for clean energy projects and clean vehicles.

#### **Production Tax Credits**

Production tax credits provide a rebate based on the amount of a relevant product made by an entity, such as a utility or manufacturer. One example is a rebate per kilowatt of electricity produced by a renewable source. These can also apply to manufacturing—a production tax credit would provide a certain amount for each blade or solar panel component produced.

#### **Consumer Tax Credits**

The law also includes a number of consumer tax credits to incentivize and support the use of clean energy and energy efficiency technologies as well as clean vehicles. For example, the Inflation Reduction Act includes significant extensions to energy efficiency tax credits for both homeowners and commercial property owners and developers. The Residential Energy Efficient Property Tax Credit (25C) is a tax credit that homeowners can use to make certain energy efficiency improvements to their homes and appliances. The Residential Clean Energy Credit (25D) is a tax credit that homeowners can use to install such things as solar panels and hot water heaters, batteries, geothermal heat pumps, and fuel cells.

Additionally, one exciting change to the tax code in the Inflation Reduction Act is that the Clean Vehicle Tax Credit, which will lower the upfront cost of purchasing a battery electric, plug-in hybrid, or fuel cell EV by up to \$7,500, will also encourage car and battery manufacturers to bring their operations—and good automotive manufacturing jobs—onshore.

## **Excise Tax**

An excise tax is a tax on goods or services. Some well-known examples of an excise tax include taxes on gasoline, alcohol, cigarettes, and tires. These taxes are common at the federal, state, and local levels of government. The Inflation Reduction Act includes a permanent extension of the Black Lung Excise Tax, an excise tax on coal used domestically which funds the Black Lung Disability Trust Fund to help pay for expenses for miners disabled by Black Lung Disease and their families.

## **Tax Deduction**

Similarly to a tax credit, a tax deduction lowers the amount owed to the Internal Revenue Service (IRS), but it does so in a different way. While a tax credit reduces the amount of money owed to the IRS, a tax deduction reduces the amount of income subject to being taxed.

## **Other Investment Mechanisms**

The Inflation Reduction Act also includes a couple of additional investment mechanisms that do not fit into the categories above.

## **Cooperative Agreements**

Cooperative agreements facilitate the transfer of something of value from federal executive agencies to states, local governments, and private recipients for a public purpose or benefit. While similar to grants, cooperative agreements differ in that they provide substantial involvement between the federal awarding agency or pass-through entity and the non-federal entity in carrying out the purpose of the agreement.

## **Technical Assistance**

Technical Assistance is the process of providing targeted support to an organization with a development need or problem, which is typically delivered over an extended period of time. This form of assistance is particularly important to disadvantaged communities that might otherwise lack access to the resources or expertise needed to navigate complex environmental issues, regulations, and opportunities. Technical assistance can be provided through federal or state agencies to help communities and stakeholders at many levels.



# MAXIMIZING BENEFITS FOR WORKERS, COMMUNITIES, AND EQUITY

Implementation of the Inflation Reduction Act is a critical opportunity to ensure its investments create a more just, equitable society that works for all. As a nation, we are confronting three ongoing, interconnected crises: economic injustice, racial injustice, and climate change. The true impact of this legislation on addressing those crises will be determined through implementation.

Our nation has been struggling with economic inequality for decades. The U.S. Census Bureau [reported that](#) income inequality in 2018—the gap between the wealthiest Americans and the average worker—had reached the highest level recorded since the bureau started tracking the gap. Subsequent reports of [2019](#) and [2020](#) data show no movement toward income equality. According to the Economic Policy Institute, CEOs in 2020 were paid [more than 350 times](#) more than the typical worker.

There is a direct correlation between the increase in income inequality and the decrease of worker power as the [share of workers in a union fell from 24% in 1979 to under 11% now](#).

At the same time, we are struggling against racial injustice. From its outset, our nation's economy has been built on the exploitation of people of color. Systemic racism and oppression are knotted into all of the challenges to building a clean, healthy, and thriving economy for all. For example, historically and persistently, [Black Americans fare worse](#) in our existing economy, having lower wages, less savings to fall back on, and significantly higher poverty rates. Black workers have been the hardest hit by the outsourcing of U.S. manufacturing, enduring a [30% drop in manufacturing employment](#) since the 1990s. Regardless of education level, Black workers are far more likely to be unemployed than white workers. In fact, unemployment rates are twice as high for Black workers historically. That disparity [carries into the workplace](#) as well, with Black workers paid on average 73 cents to the dollar compared to white workers. The wage gap persists regardless of education, and even with advanced degrees, Black workers make far less than white workers at the same level. The [poverty rate](#) for white Americans sits at about 8.1%, compared to 20.7% for Black households.

The COVID-19 pandemic has cast a harsh spotlight on, and exacerbated, these crises. The burden

*Systemic racism and oppression are knotted into all of the challenges to building a clean, healthy, and thriving economy for all.*

of COVID-19 cases and deaths in the U.S. falls [disproportionately on people of color](#). Black workers are more likely to have front-line jobs—like grocery clerks, public transit workers, warehouse and postal service workers, cleaners, healthcare workers, and childcare workers. Black workers are also less likely to have health insurance, paid sick time, or the ability to work from home. They are also more likely to live in neighborhoods with more air pollution, increasing the risk of COVID-19 infection.

Lower-income communities and communities of color are also hit the hardest and are less able to deal with the impacts of climate change and the increasing natural disasters we are witnessing, from wildfires and hurricanes to heatwaves, droughts, and sea-level rise. As wages have fallen, access to stable housing and economic mobility and power in the workplace has declined, and working people are disproportionately vulnerable to these impacts.

These crises are well documented and the solutions to them are as intrinsically linked as their causes. To begin the work of addressing economic inequality and dismantling systemic racism in our society, equity and justice must be at the core of our efforts to rebuild the economy.

As we work to implement the Inflation Reduction Act, we have the opportunity to ensure we do so in a way that protects and creates good union jobs, delivers public health and environmental benefits, addresses economic and racial injustice head-on, and creates a cleaner, stronger, and more equitable economy for all.

Several policy levers exist to help ensure these investments create good union jobs and community benefits—particularly for targeted constituencies. They also help reduce the income inequality that has harmed the American middle class and build a competitive, clean economy. The Inflation Reduction Act includes some codified policy tools explicitly

in the legislation. There are additional policy tools available that we have the opportunity to insert or attach as much as possible in the implementation of these funds at the federal and state level. We explore these tools in detail below.

Beyond these policies, it will take not only a deep understanding and acceptance of how we got here but also humility and a willingness and desire to change our present and future. This can start with policy changes at every level of government that seek to address the injustices that lead to disproportionate lack of access to and acquisition of resources and opportunities for people of color.

## Key Labor and Equity Standards

There are a number of policy tools that can and should be used to help ensure the creation of good, union jobs that build pathways into the middle class and move us closer to creating a cleaner, more prosperous, and equitable future.

With the right tools in place, the investments included in the Inflation Reduction Act will not only help address the climate crisis and revitalize our manufacturing sector, but can also fight the interconnected crises of income inequality and racial inequity by:

- Incentivizing the use of union labor;
- Mandating that workers are paid a fair wage;
- Utilizing union apprentice, pre-apprenticeship, and other union-affiliated training programs;
- Ensuring equitable access to the jobs that this law will create;
- Prioritizing workers and communities most in need; and
- Building pathways into good-paying careers for workers across the nation.

A few such provisions are defined below and are included in the grids of key policy provisions included on this site where they are already required by the legislation.

### ***Davis-Bacon Prevailing Wage***

Prevailing wage establishes a wage floor for each occupation that all contractors on a project must pay at or above—typically set to reflect the average or market wage for a given type of work in a given area. Similar to Project Labor Agreements (PLAs), in practice, prevailing wage policies are generally

limited to workers employed in the construction industry. Many state and local governments establish a prevailing wage for public works projects, and at the federal level, the Davis-Bacon Act establishes prevailing wage rates for federal construction projects. Requirements or incentives for contractors to pay the prevailing wage are extended by the Inflation Reduction Act for the first time to a set of privately developed projects, such as new power generation facilities.

### ***Registered Apprenticeship, Pre-Apprenticeship Programs, and Other Union-Affiliated Training Programs***

One of the main mechanisms for building career pathways is through registered apprenticeship, pre-apprenticeship, and other union-affiliated training programs. Apprenticeships are registered through a state apprenticeship agency or through the U.S. Department of Labor (DOL). Registered apprenticeships are paid positions that combine on-the-job training with classroom instruction in a trade. Construction unions collaborate with their employer partners to jointly operate robust registered apprenticeship programs. Industrial unions also work with their employers on labor-management training programs that provide a combination of classroom and on-the-job skills training.

Strong, democratic unions can also play a key role in promoting diversity, equity, justice, and inclusion within these programs. An internal BlueGreen Alliance analysis of the DOL [Registered Apprenticeship Partners Information Database System \(RAPIDS\)](#) found that in the construction industry, 43% of apprentices were people of color in union programs, compared to 33% in non-union programs. However, enrollment in these programs only shows one small metric by which to judge if these programs effectively advance the careers of people of color. For true equity and justice to be sustained, officials must focus not solely on enrollment rates, but also on completion data and, crucially, on retention and promotion within the workplace—that means, in part, working to ensure that apprentices have not only the technical skills but also the professional tools they need to succeed.

Pre-apprenticeship programs, in particular, have become a key tool to improving diversity in the building trades. Such programs aim to ensure that workers can qualify for entry into an apprenticeship

program and have the skills they need to succeed. These programs are generally designed to target certain populations or demographics such as low-income workers, workers of color, women, and other marginalized communities. The most successful pre-apprenticeship programs are those affiliated with registered apprenticeships or other contractually agreed on-the-job training programs.

Additionally, many unions offer training throughout a member's career to enable them to stay up to date with changes in technology.

### ***Project Labor Agreements, Community Workforce Agreements, and Community Benefits Agreements***

PLAs are collective bargaining agreements that are negotiated in advance of a project. These agreements generally specify wages, fringe benefits, worksite conditions, dispute resolution protocols that restrict lockouts and strikes, and ensure health and safety protections. The encouragement of the use of PLAs on federally funded projects is not a new policy. President Biden signed an [executive order](#) in February 2022 ordering that, "it is the policy of the Federal Government for agencies to use project labor agreements in connection with large-scale construction projects to promote economy and efficiency in Federal procurement."

Community Workforce Agreements (CWAs) and Community Benefit Agreements (CBAs) are beneficial tools for communities when included with PLAs. They can be more broad in scope and are sometimes negotiated with both union and community partners. CWAs go beyond PLAs and focus on creating opportunities to maximize benefits to and in local communities. However, in the absence of a CWA many PLAs include community workforce provisions. In addition to the collective bargaining aspects of a PLA, CWAs frequently include local hire provisions, targeted hire of low-income or disadvantaged workers, and the creation of pre-apprenticeship pathways for careers on the project.

### ***Collective Bargaining***

Through the collective bargaining process, workers represented by a union negotiate with their employer the terms of their employment. This includes wages, benefits, hours, health and safety requirements, and more. [Research has shown](#) that

through the collective bargaining power of unions, workers are able to get more and better benefits—such as health insurance and pensions—and are able to fight for more enforcement of the labor protections they have a right to under the law, like enforcement of safety and health regulations and overtime. Additionally, collective bargaining is one of the most powerful tools in comprehensively raising standards for any particular industry regularly, as each renegotiated collective bargaining agreement—which typically has a three to five year lifetime—typically includes gains for the workers.

Moreover, research has shown that [across the board, union members earn higher wages than non-union workers](#) and this difference is most pronounced for workers of color and women:

- White male union members earn 17% more in wages on average compared to white male non-union workers;
- Female union members earn 28% more in wages on average compared to non-union female workers;
- Black union members earn 28% more in wages on average compared to non-union Black workers; and
- Latine union members earn 40% more in wages on average compared to non-union Latine workers.

### ***Justice40 and Other Targeted Community Investments***

To ensure that new government policies help dismantle structural racism and target federal resources to the workers and communities that need them most, President Biden established a [Justice40 Initiative](#) to ensure that 40% of the benefits from federal investments for climate and clean energy benefit disadvantaged communities. This could include funding set-asides, funding prioritization, or more general guidance that instructs agencies to maximize benefits for communities or workers in ways that can and should—if properly implemented—complement the Justice40 objectives. This includes prioritization or targeting of resources to environmental justice communities and/or communities impacted by energy transition, such as those where coal-fired power plants or coal mines have closed.



## SUMMARY OF KEY POLICY PROVISIONS

The Inflation Reduction Act makes landmark investments across a host of sectors. We have selected provisions for a deeper dive in this user guide in eight broad categories that all touch on the intersections between good jobs, a stable climate, a clean environment, and a fair and just economy.

### Clean Energy Projects that Deliver Good Jobs

The Inflation Reduction Act delivers strong investments in clean energy that will support and create high-quality, union jobs, particularly in hard-hit communities, while helping reach climate goals.

The world's leading scientific organizations have been unambiguous that climate change is a dire and urgent threat and the longer we delay the stronger the action required. Over the last decade, we have witnessed the worsening impacts a changing climate has on our communities. To avoid the catastrophic consequences of climate change, we must ensure rapid greenhouse gas emission reductions—based on the latest science and in line with our fair share—to put the U.S. on a pathway to net zero emissions by 2050. At the same time, we must ensure that the jobs created in the clean economy are high-quality, good-paying union jobs.

The strengthened and newly established tax credits for clean energy in the Inflation Reduction Act will not only help drastically reduce emissions, but provide high-quality jobs in the clean economy. It extends and establishes clean energy tax credits for onshore and offshore wind, solar, geothermal, direct air capture (DAC), battery storage, carbon capture, clean hydrogen, and existing nuclear. Crucially, the law includes provisions that make it more likely the jobs created by these investments are high-quality jobs here in the United States. The law—for the first time ever—includes high-road labor standards that go hand-in-hand with clean energy deployment. Specifically, to receive the full value of the tax credit, developers

will have to pay a prevailing wage and utilize a certain percentage of registered apprentices in the projects.

This is significant when considering—on the whole—high-road and union jobs pay better, have better benefits, and are safer than non-union jobs, as noted in the “Key Labor and Equity Standards” section of this resource. Workers who are members of or are represented by a union earn significantly more than those who are not across all relevant industries and occupations, with especially pronounced benefits for low-wage workers. Taking a deeper dive into specific sectors we see that, on average, union members earn a premium of 15% higher wages than non-union workers in the utilities sector and 45% higher wages in the construction sector.

By requiring that clean energy investments support these workforce development pathways, this law will help:

- Grow and diversify the middle class;
- Increase diversity in the construction workforce—specifically by bringing more women, veterans, Native Americans, those that have been through the justice system, and people of color into the trades;
- Ensure the construction workforce has the skills necessary to build and maintain infrastructure; and
- Promote hiring of local citizens to work on infrastructure projects in their communities.

These provisions in the Inflation Reduction Act will also help address the racial and economic inequality in the country through the two separate “bonus” tax

credits. The Low-Income Communities Credit provides a bonus tax credit for projects located in communities that have a significant share of the population below the poverty line, and the Energy Communities Credit provides a bonus tax credit for projects located in communities that have seen significant job loss in the fossil fuel economy, or due to the closure of a coal mine or coal-fired power plant, or are host to a brownfield site.

Finally, the clean energy tax credits also include domestic production incentives to stoke demand for U.S. manufacturing of clean energy and clean vehicles. These provisions will:

- **Boost demand for clean electricity manufacturing:** The law includes four clean electricity tax credits worth more than \$127 billion, each of which establishes—for the first time—a bonus 10% tax credit for projects that use domestically manufactured materials and parts. To qualify for the domestic content bonus, clean electricity developers must use domestically made iron and steel and manufactured components in which U.S. production accounts for roughly half of the value. Non-profit and government entities also must meet these domestic content requirements to take full advantage of a “direct pay” option that

makes the tax credits more accessible. The tax credits are expected to propel dramatic growth in clean energy deployment, stimulating parallel growth in U.S. manufacturing of clean technology parts and materials.

- **Stimulate demand for clean vehicle manufacturing:** The law includes a more than \$7 billion expansion and update of a tax credit for new clean vehicles, with standards to catalyze North American manufacturing of EVs, fuel cell vehicles, and their components. The credit will reduce the cost of new EVs by up to \$7,500, while incentivizing the establishment of a complete and resilient supply chain for essential EV battery components in North America. It also ensures the critical minerals that comprise these batteries are not sourced from countries relying on child and forced labor or countries where supply chain bottlenecks and disruptions threaten the EV transition.

These investments show that we can meet our clean energy deployment and climate goals while also ensuring that workers are paid fair wages, that we support and grow our domestic manufacturing supply chains, and that communities that have traditionally been left behind in our economy experience the gains in clean air, clean water, and the opportunity for a middle-class job.



**Table 2: Clean Energy Projects that Deliver Good Jobs**

Category	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Clean Energy Tax Credits	Clean Energy Investment Tax Credit (ITC) Extension (Sec 13102) - Investment tax credits for clean energy deployment, including onshore and offshore wind, solar, geothermal, battery storage, and pumped-storage hydro.	\$13.9 Billion Base Credit: 6% of Project Cost; Bonus Credit: 30% of Project Cost if prevailing wage and registered apprenticeship requirements are met	Treasury (IRS)	Investment Tax Credit Direct pay available for state, local, and tribal governments, TVA, rural electric co-ops, tax exempt (must meet domestic content requirements to receive direct pay, phased in 2024-2026)	FY22-25	Prevailing Wage and Registered Apprenticeship Utilization	Developers, state, local, Tribes, utilities, co-ops, tax-exempt entities	Existing Program
	Clean Energy ITC Technology Neutral, (Sec. 13702) - Investment tax credit for energy deployment for projects with net zero carbon emissions. This credit will go into effect for new projects placed in 2025 through sometime in the 2030s. This credit is not limited to a particular clean energy technology, but rather any technology that does not contribute carbon emissions.	\$50.8 Billion Base Credit: 6% of Project Cost; Bonus Credit: 30% of Project Cost if prevailing wage and registered apprenticeship requirements are met	Treasury (IRS)	Investment Tax Credit Direct pay available for state, local, and tribal governments, TVA, rural electric co-ops, tax exempt entities (must meet domestic content requirements to receive direct pay, phased in 2024-2026)	FY25-35*	Prevailing Wage and Registered Apprenticeship Utilization	Developers, state, local, tribes, utilities, co-ops, tax-exempt entities	New Program; Technology Neutral
	Clean Energy Production Tax Credit (PTC) Extension (Sec. 13101) - Production tax credits for clean energy deployment, including solar, offshore and onshore wind, and geothermal to receive a tax credit for the production of electricity based on kilowatt-hour of power produced.	\$51 Billion Base Credit: 0.05 cents per kWh, increased for inflation since 1992 Bonus Credit: .25 cents per kWh if prevailing wage and registered apprenticeship requirements are met, increased for inflation since 1992**	Treasury (IRS)	Production Tax Credit Direct pay available for state, local, and tribal governments, tax exempt entities (must meet domestic content requirements to receive direct pay, phased in 2024-2026)	FY22-25	Prevailing Wage and Registered Apprenticeship Utilization	Developers, utilities, co-ops, state, local, tribes, tax-exempt entities	Existing Program
	Clean Energy Production Tax Credit (PTC) Technology Neutral (Sec. 13701) - PTC for energy projects with net zero carbon emissions. This credit will go into effect for new projects placed in service in 2025 through sometime in the 2030s. This credit is not limited to a particular clean energy technology, but rather any technology that does not contribute carbon emissions.	\$11.2 Billion Base Credit: 0.05 cents per kWh, increased for inflation since 1992 Bonus Credit: 0.25 cents per kWh if prevailing wage and registered apprenticeship requirements are met, increased for inflation since 1992**	Treasury (IRS)	Production Tax Credit Direct pay available for state, local, and tribal governments, TVA, rural electric co-ops, tax exempt entities (must meet domestic content requirements to receive direct pay, phased in 2024-2026)	FY25-35*	Prevailing Wage and Registered Apprenticeship Utilization	Developers, utilities, co-ops, state, local, tribes, tax-exempt entities	New Program; Technology Neutral

**Table 2: Clean Energy Projects that Deliver Good Jobs (Cont.)**

Category	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Clean Energy Tax Credits	Domestic Content Bonus Credit (Sec. 13101, 13102, 13701, 13702) - (Applicable for the Clean Energy PTCs and ITCs). Establishes a bonus 10% ITC (2% if wage and apprentice requirements not satisfied) or PTCs at 1.10% of the rate for which the project would otherwise qualify for projects utilizing domestic content. This credit will support projects that use domestically made iron and steel as well as a certain percentage of other manufactured components.	Up to 10% ITC on project cost (or up to a 10% increment on PTCs)	Treasury (IRS)	Tax Credit Direct pay is available for state, local, and tribal governments, TVA, rural electric co-ops, and tax-exempt entities utilizing the domestic content preference.	FY23-35*	Projects utilizing domestically produced iron and steel, and 55% of manufactured goods. (A ramp up approach annually starting in 2024, ending in 2027 at 55%. Offshore wind will have until 2028 to meet domestic content requirements of 55%)	Developers, utilities, co-ops, state, local, tribal, tax-exempt entities	New Program
	Energy Communities Bonus Credit (Sec. 13101, 13102, 13701, 13702) - (Applicable for the Clean Energy PTCs and ITCs). For qualified facilities that are placed in service within an energy community, a 10% extra ITC (2% if wage and apprentice requirements not satisfied) or PTCs at 1.10% of the rate for which the project would otherwise qualify.	Up to 10% ITC on project cost (or up to a 10% increment on PTCs)	Treasury (IRS)	Tax Credit	FY23-35*	For full 10%: Prevailing Wage and Apprenticeship Requirements	This bonus credit is for: 1. Projects on brownfield sites 2. Projects in metropolitan and non-metropolitan statistical areas that (A) at any time after 2009 had 0.17% or greater direct employment or 25% or greater local tax revenues that are attributable to the extraction, processing, transport or storage of coal, oil or natural gas and (B) had an unemployment rate at or above the national unemployment rate for the prior year 3. Projects in census tracts in which (or census tracts adjoining census tracts in which) a coal mine closed after 1999 or a coal-fired electric generating unit retired after 2009.	New Program
	Low Income Communities Bonus Credit (Sec. 13103) - (Applicable for the Clean Energy ITCs). An additional ITC of 10% or 20% is available for the development of wind and solar projects in low income communities.	10% or 20% of project cost	Treasury (IRS)	Investment Tax Credit	FY23-25	Requires an allocation of credits by the IRS, which has 1,800 MW to allocate in each of calendar years 2023 and 2024	This bonus credit is specifically for solar and wind projects built in low-income communities or on Indian land or that are part of a qualified low-income residential building project or a qualified low-income benefit project, and associated storage, but only for projects with maximum net output of less than 5 megawatts.	New Program

**Table 2: Clean Energy Projects that Deliver Good Jobs (Cont.)**

Category	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Clean Energy Tax Credits	Extension and Modification of Carbon Dioxide Sequestration Credit (Sec. 13104) - Extends the credit for carbon oxide capture facilities that begin construction before the end of 2032. A base credit rate of \$17 or a bonus credit rate of \$85 per metric ton of carbon oxide captured for geological storage and a base credit rate of \$12 or a bonus credit rate of \$60 per metric ton of carbon oxide captured and used for enhanced oil recovery or to make a commercial product. An enhanced credit for direct air capture facilities at a base rate of \$36 or a bonus rate of \$180 per metric ton of carbon oxide captured for geological storage and base rate of \$26 or a bonus rate of \$130 per metric ton of carbon captured and used for enhanced oil recovery or to make a commercial product.	\$3.2 Billion Bonus rate of \$60, \$85, or \$180 per metric ton of CO <sub>2</sub> , depending on the form of carbon capture and the use to which the captured CO <sub>2</sub> is put	Treasury (IRS)	Tax Credit , Direct pay available for five years	FY23-32.	Prevailing Wage, Apprenticeship Utilization	Carbon capture, utilization, and storage; facilities; electric generation; industrial facilities	Existing Program
	Zero Emissions Nuclear Power Production Credit (Sec. 13105) - Credit for existing facilities producing nuclear power, regardless of the age of the facility, this credit does not however cover advanced nuclear facilities.	\$30 Billion Base rate of 0.3 cents per kWh, increased for inflation since 1992. Bonus rate of 1.5 cents per kWh, increased for inflation since 1992. The credit amount is reduced as the electricity price increases.	Treasury (IRS)	Production Tax Credit	FY23-32	Prevailing Wage, Apprenticeship utilization	Existing nuclear power facilities	New Credit
	Clean Hydrogen Credit (Sec. 13204) - Credit for producing hydrogen where the lifecycle (well-to-gate) greenhouse gas emissions to make the hydrogen are no more than 4 kg per kg of hydrogen. The full credit can be claimed only if lifecycle greenhouse gas emissions are less than 0.45 kg per kg of hydrogen. Option to claim an ITC on the hydrogen production facility instead.	\$13 Billion Maximum PTC of \$3 per kilogram of clean hydrogen, and maximum ITC of 30% of facility cost	Treasury (IRS)	Tax Credit, Direct pay for PTCs (but not ITC) available for five years	FY22-32	Prevailing Wage, Apprenticeship Utilization	Owner of a qualified clean hydrogen production facility	New Credit

**Table 2: Clean Energy Projects that Deliver Good Jobs (Cont.)**

Category	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Rural Energy Investments	USDA Assistance for Rural Electric Cooperatives (Sec. 22004) - To make grants and loans for electric cooperatives to purchase renewable energy, purchase renewable energy systems and carbon capture and storage systems, deploy such systems, or make energy efficiency improvements and to make grants for debt relief and other costs associated with terminating the use facilities operating on non-renewable energy and related transmission assets.	\$9.7 Billion	USDA (Rural Development)	Loans, Competitive Grants	FY22-FY31	Prevailing Wage	Rural co-op with certain threshold of customer base	New Program
	USDA Electric Loans for Rural Renewable Energy (Sec. 22001) - Generation of renewable energy for resale to rural and nonrural residence, including wind, solar, geothermal, hydropower, and biomass.	\$1 Billion	USDA (Rural Development)	Competitive Grants	FY22-31	Prevailing wage	Developers, local, state, tribal governments, co-ops, non-profits	Existing Program
	USDA Rural Energy for America Program (REAP) (Sec. 22002) - Deployment of renewable energy for rural business and agricultural producers. Technologies include; solar wind, biomass, geothermal, hydro, hydrogen, and energy efficiency improvements.	\$1.9 Billion	USDA (Rural Development)	Competitive Grants, technical assistance	FY22-31	N/A	Rural businesses and Agricultural Producers	Existing Program

*;This credit begins to phase out in 2034, reducing 25% annually, until 2035 at which point it phases out all together. Further, the credit remains available if U.S. annual greenhouse gas emissions have reduced by 75% by the time the credit phases out.*

*\*\*Sec. 13101 and 13701 provide a credit per kilowatt hour. The legislation allows for the price to increase to adjust for inflation since 1992. The bill specifies the credit as .03/.15 cents per kWh, however the price adjusted for inflation would be .05/.25 cents per kWh.*

## Clean Technology Manufacturing

The law makes the largest ever investment in U.S. manufacturing of clean energy technologies, including wind, solar, batteries, EVs, and more. These investments are essential to link climate action with good union jobs, counter the racial and income inequality fed by manufacturing job losses, and build secure [domestic supply chains](#) instead of relying on overseas production that is marred by forced labor, higher levels of pollution, and shipping bottlenecks. [See here for our fact sheet outlining six reasons](#) we need to spur increased U.S. clean technology manufacturing.

The Inflation Reduction Act includes more than \$40 billion in tax credits to expand clean technology manufacturing. It also offers significant funding for the Biden administration to use executive action to spur clean manufacturing growth. The law will:

- **Support new clean technology manufacturing facilities with an expanded investment tax credit:** The law includes \$10 billion for the 48C tax credit, which will support the establishment, re-tooling, or expansion of manufacturing facilities to produce solar, wind, battery, EV, energy efficiency, and other clean energy technologies. Of this amount, \$4 billion is reserved for manufacturing investments to boost job growth and economic opportunities in communities facing coal facility closures due to the energy transition. The 48C expansion will create more than [110,000 jobs](#) over the next 10 years.

- **Promote solar, wind, and battery manufacturing with a new production tax credit:** The law establishes a new manufacturing production tax credit worth more than \$30 billion to support the expansion of solar, wind, and battery manufacturing and critical minerals processing. While the 48C credit has been effective in encouraging small- and medium-sized investments in many clean technology sectors, these four sectors warrant larger, sustained investments due to a significant lack of domestic manufacturing capacity, stiff global competition, and recent disruptions. Critically, manufacturers in these four sectors have a “direct pay” option that will allow them to take advantage of the new tax credit for five years without relying on Wall Street financing that is typically unavailable for manufacturing investments. This new tax credit to fill clean technology supply chain gaps will create more than [560,000 jobs](#) over the next decade.
- **Enable bold executive action to grow clean manufacturing:** The Inflation Reduction Act includes \$500 million for the [Defense Production Act](#)—a versatile policy toolbox that the Biden administration has started using to support manufacturing growth for critical clean energy goods—such as solar panels, heat pumps, and grid efficiency components. The new funding will enable the administration to purchase goods, extend loans, install new technology, or otherwise support manufacturing in clean energy sectors.



**Table 3: Clean Technology Manufacturing**

Category	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Clean Tech Manufacturing	Extension of the Advanced Energy Project Credit (48C) (Sec. 13501) - Investment tax credit for establishing or retooling a factory to produce a wide range of clean technologies (including renewable energy and EV components). The tax credit also is expanded to cover installation of equipment that achieves an at least 20% reduction in climate pollution.	\$10 Billion Base Credit: 6% Bonus Credit: 30%	Treasury (IRS)/ DOE	Investment Tax Credit (Direct pay only for tax-exempt and government entities)	Changes begin in 2023 The IRS is expected to allocate the full \$10 billion in available tax credits in 2023.	Prevailing Wage, Apprenticeship Utilization required for bonus credit of 30% instead of base credit of 6%	Manufacturing companies \$4 billion set aside for former coal communities (census tracts with mines closed post-1999 and/or power plants closed post-2009)	Existing Program
	Advanced Manufacturing Production Credit (45X) (Sec. 13502) - New production tax credit for manufacturing solar, wind, and battery components and processing critical minerals including aluminum, cobalt, lithium, nickel, and more to incentivize building new U.S. facilities to support clean energy supply chains at a globally competitive scale.	\$30.622 Billion (This is the Joint Committee on Taxation's estimate for the credit's total value.)	Treasury (IRS)	Production Tax Credit (Direct pay for all entities for five years)	Starts in 2023. The phase-out for solar, wind, and battery components begins in 2030, ends after 2032. The tax credit for critical minerals is permanent.	N/A	Manufacturing and mining companies	New Program
	Defense Production Act (DPA) (Sec. 30001) - Funding for DPA, which the Biden administration is using to spur growth in clean technology manufacturing.	\$500 Million	DOD/DOE	Purchase agreements, loans and loan guarantees, or technology procurement	FY22-FY24	N/A	N/A	Existing Program

## Industrial Transformation

The industrial sector produces [nearly a third of U.S. climate pollution](#), when accounting for electricity use. It is the only source of U.S. greenhouse gas emissions that is [projected to rise](#) in the coming decades. Industry is also responsible for [toxic air pollution](#) that exposes a quarter of a million people to elevated cancer risks each year, primarily in Black communities.

To help address industrial pollution, the law establishes and expands investment programs to reduce emissions in energy-intensive industries—such as steel, aluminum, and cement. The law launches a first-of-its-kind program to propel commercial-scale deployment of emissions-reducing technology at U.S. manufacturing facilities, expands a tax credit for industrial transformation projects, and lays the groundwork for public purchasing of clean construction materials.

While the BIL makes important investments in research, development, and demonstration projects in certain industrial technologies, the Inflation Reduction Act makes essential investments to broadly deploy emissions-reducing technologies across industrial sectors. Together, these investments could eliminate millions of metric tons of harmful emissions while boosting competitiveness and job creation at U.S. industrial facilities. The law will:

- **Directly invest in emissions-reducing technology at manufacturing facilities:** The law launches a new, nearly \$6 billion program to help manufacturers carry out emissions-reducing

upgrades at steel, aluminum, cement, and other energy-intensive industrial facilities. This program will create nearly [120,000 jobs](#) over five years and cut nearly [70 million metric tons](#) of annual climate pollution—the equivalent of running over 18,000 wind turbines for a year.

- **Cut industrial emissions through a tax credit:** In addition to providing \$10 billion for the 48C tax credit to spur clean technology manufacturing, as described above, the law makes the tax credit available—for the first time—for manufacturers to install equipment that achieves an at least 20% reduction in climate pollution. According to BlueGreen Alliance internal analysis, the program expansion will cut an estimated 7 million metric tons of annual greenhouse gas emissions—equivalent to the yearly climate pollution emitted by about 1.5 million gasoline-powered vehicles.
- **Support government purchases of low-emissions materials:** The law includes new investments to support the Biden administration’s Buy Clean initiative, which will use the U.S. government’s vast purchasing power to drive demand for low-emissions manufacturing of construction materials. To lay the groundwork for Buy Clean, the law includes \$250 million for grants and technical assistance that will help manufacturers report their emissions in environmental product declarations—a tool to accurately compare the emissions that go into manufactured goods. The law also invests more than \$5 billion for DOT and the General Services Administration (GSA) to support the use of low-carbon materials for public buildings and highways.



**Table 4: Industrial Transformation**

Category	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Industrial	Advanced Industrial Facilities Deployment Program (Sec. 50161) - Financial assistance for commercial-scale deployment of industrial emissions reduction technology.	\$5.812 Billion	DOE	Competitive Financial Assistance (Grants, Rebates, Loans, or Cooperative Agreements)	FY 22-26	Criteria for competitive applications include measuring the benefits to the local community	A domestic, non-Federal, nonpower industrial or manufacturing facility engaged in energy-intensive industrial processes	New Program
	Environmental Product Declaration (EPD) Assistance Program (Sec. 60112) - Provide grants and technical assistance to businesses and states/Tribes/nonprofits that support such businesses to develop EPDs and support “other activities that assist in measuring, reporting, and steadily reducing the quantity of embodied carbon of construction materials and products.”	\$250 Million	EPA	Competitive Grant - Project Grant and Technical Assistance	FY 22-31	N/A	Businesses and states, Tribes, and nonprofits that support such businesses	New Program
	Low-Carbon Labeling Program (Sec. 60116) - Identify and label low-embodied carbon materials and products used for buildings and transportation projects.	\$100 Million	EPA	Not specified	FY 22-26	N/A	N/A	New Program
Direct Procurement	Low-Carbon Federal Buildings (Sec. 60503) - To the Federal Buildings Fund to acquire and install low-embodied carbon materials and products for use in the construction or alteration of buildings under the jurisdiction, custody, and control of the GSA.	\$2.15 Billion	GSA	Competitive Contracts	FY 22-26	N/A	N/A	Existing Program
	Low-Carbon Transportation Materials (Sec. 60506) - For the DOT Federal Highway Administration (FHWA) to reimburse eligible recipients for the incremental costs of using low-embodied carbon construction materials and products in projects.	\$2 Billion	DOT	Competitive Grants	FY 22-26	N/A	States, local governments, political subdivision of a state, territory, Tribes, any recipient of funds under the Federal Lands Transportation Program, metropolitan planning organizations, special purpose district or public authority with transportation function	New Program
	Low-Carbon Disaster Relief (Sec. 70006) - Authority to provide financial assistance for costs associated with low-carbon materials and incentives that encourage low-carbon and net-zero energy projects (with increased federal cost share).	—	FEMA	Competitive Grants and Technical Assistance	FY 22-26	N/A	States, local governments, Tribes	Existing Program
	Low-Carbon Affordable Housing (Sec. 30002) - The U.S. Department of Housing and Urban Development (HUD) to fund projects that implement low-emission technologies, materials, or processes or address climate resilience of multifamily properties.	\$837.5 Million	HUD	Project Grants and Direct Loans	FY 22-28	N/A	Any owner or sponsor of an eligible property - defined as a property receiving project-based assistance pursuant to the Housing Act of 1959, the Cranston-Gonzalez National Affordable Housing Act, and the U.S. Housing Act of 1937	New Program

## EV Deployment, Automotive Manufacturing, and Supply Chain

In the United States, the transportation sector represents the single largest source of climate-warming greenhouse gas emissions—surpassing industrial emissions and emissions from energy generation, residential and commercial buildings, and the agricultural sector. While reducing emissions from vehicles must not be the only strategy we pursue in our efforts to decarbonize our mobility systems, we cannot meet our climate goals without a significant transition to cleaner cars and trucks. The Inflation Reduction Act applies a whole-of-government approach to addressing this source of greenhouse gas and health-harming emissions, while also creating and preserving good union jobs; supporting and growing a domestic supply chain for vehicle components and technologies; and improving mobility and air quality in our neighborhoods.

The Inflation Reduction Act contains clean vehicle tax credits for new and used car buyers—as well as commercial fleets—and puts ambitious-but-achievable requirements on qualifying vehicles' critical mineral and battery supply chains. It brings those supply chain requirements within reach for car and truck manufacturers—who have already made significant commitments to onshoring their battery supply chains—through major investments in the domestic auto manufacturing supply chain. Finally, it provides direct grants to a range of heavy-duty fleets to replace their existing vehicles—including transit and school buses, logistics trucks, drayage vehicles, and U.S. Postal Service (USPS) delivery vans—with zero emission alternatives.

The clean vehicle provisions in the Inflation Reduction

Act can be divided into three main categories: tax credits, grants and loans for clean vehicle manufacturers, and grants for heavy-duty fleet electrification.

- **Clean Vehicle Related Tax Credits:** The updated Clean Vehicle Tax Credit will shape the future of the global auto manufacturing sector. The credit brings down the cost of buying battery and fuel cell EVs by up to \$7,500, while incentivizing the establishment of a complete and resilient supply chain for essential battery components in North America. It also ensures that the critical minerals that comprise these batteries are not sourced from countries relying on child and forced labor, and with whom ongoing political tensions risk significant clean vehicle and battery supply chain bottlenecks (see sidebar). The Commercial Clean Vehicle Credit aids fleets to purchase clean light- and heavy-duty vehicles by defraying the incremental upfront cost of purchasing a clean vehicle versus an internal combustion engine (ICE) alternative—an essential provision for communities disproportionately impacted by the local air pollutants emitted by diesel-fueled trucks, delivery vans, and work trucks. Finally, the Alternative Fueling Property Credit helps individuals and businesses install EV charging and alternative fueling equipment to supplement the significant investments made by the BIL in a nationwide EV charging network.
- **Clean Vehicle Manufacturing Investments:** The Advanced Technology Vehicle Manufacturing (ATVM) Loan Program received an additional \$3 billion, which will unlock billions of dollars in private capital for manufacturing facilities building the

*Photo courtesy of Ford Motor Company*



technology we need to achieve climate goals and reduce emissions from all transportation sectors—from light-duty cars to airplanes. The Domestic Manufacturing Conversion Grants Program also supports the auto manufacturing sector, but is targeted to provide direct grants to recently closed or at-risk facilities. The Inflation Reduction Act provides \$2 billion for this program—which will fund the retooling efforts needed to transform production lines that were building ICE vehicles and their parts into production lines building the clean vehicles of the future.

- **Medium and Heavy Duty Fleet Electrification:** The

Inflation Reduction Act allocates a total of \$7 billion through several programs to reduce local air pollutants and climate-warming greenhouse gas emissions from heavy-duty vehicles. It takes an expansive approach to heavy-duty vehicle decarbonization and \$1 billion in grants to the U.S. Environmental Protection Agency (EPA) to encourage the private sector to electrify Class 6 and 7 trucks, and \$3 billion to EPA to reduce emissions from ports, including through the purchase and deployment of zero emission drayage vehicles. The law also allocates \$3 billion to electrify the USPS delivery fleet.



## ETHICAL EXTRACTION OF CRITICAL MINERALS

The critical minerals needed to produce the batteries and technology needed to transform the vehicles sector include lithium, cobalt, manganese, nickel, graphite, and aluminum, among many others. The processes and labor practices with which these minerals are extracted have [attracted the attention of labor advocates and humanitarian watchdogs globally](#), who have surfaced the use of [child and forced labor](#) in many of the major countries supplying critical minerals for EVs. The single most important vehicle technology of the future cannot be intertwined with these practices. The 30D critical minerals credit incentivizes manufacturers to source critical minerals from countries with which the United States has free trade agreements, or invest their own resources in North American mining and battery recycling capacities.

The critical minerals credit does not preclude our need for a new national commitment to responsible mining in addition to the reclamation and recycling of these minerals and materials. At present, the

United States lacks a comprehensive strategy for responsibly mining these materials at home; for developing secure and sustainable supply chains for their incorporation into the clean energy economy; and for leading through example—in cooperation with other nations that seek to mine and develop these resources in safe, environmentally, and socially responsible ways. Responsible mining practices ensure that economic benefits are:

- shared with workers and communities;
- prioritize community and worker safety;
- actively engage with stakeholders to obtain social license; and
- minimize environmental impact.

Responsible domestic mining would help us build out clean technology supply chains here in North America and serve as an anchor for reshoring and retaining domestic manufacturing.

**Table 5: EV Deployment, Automotive Manufacturing, and Supply Chain**

Category	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Auto Supply Chain Manufacturing Grants and Loans	Advanced Technology Vehicle Manufacturing Loan Program (ATVM) (Sec. 50142) - Provides direct loans to manufacturers to re-equip, expand, or establish facilities that produce clean vehicles (light-, medium-, or heavy-duty) and their components, as well as trains and locomotives, maritime vessels, aircraft, and hyperloop technology. Eliminates the cap (previously \$25 billion) on loans from the ATVM.	\$3 Billion	DOE	Direct Loans	FY2022-FY2028	Prevailing Wage for Construction Work	Facilities manufacturing: fuel efficient light, medium- and heavy-duty vehicles, maritime vessels, trains, aircraft, and hyperloop technology, and facilities manufacturing parts for any of the above vehicles	Existing Program
	Domestic Manufacturing Conversion Grants (Sec. 50143) - Provides grants to support the domestic production of EVs, hybrids, plug-in hybrid electric vehicles (PHEV), and hydrogen fuel cell vehicles, especially in recently closed or at-risk facilities.	\$2 Billion	DOE	Competitive Grant	FY2022-FY2031	Prevailing Wage for Construction Work	Facilities manufacturing: EVs, hybrids, PHEVs, and hydrogen fuel cell vehicles	Existing Program (First Time Funding)
Clean Vehicle Tax Credits	Clean Vehicle Tax Credit (30D) (Sec. 13401) - Encourages the deployment of clean vehicles made in North America with batteries made with North American-manufactured components and critical minerals sourced from countries with which the United States has a free trade agreement.	\$7.5 Billion	Treasury (IRS)	Consumer Tax Credit	Jan 1, 2022-Dec 31, 2032	Final Assembly and Component Conditions; AGI and MSRP Caps	Individuals, the tax credits can be transferred to the auto dealer	Existing Program
	Used Clean Vehicle Tax Credit (25E) (Sec. 13402) - Accelerates the creation of a secondary market for EVs in order to extend EV access and improve affordability for low-income drivers.	\$1.3 Billion Tax credit of 30% of the vehicle cost or \$4,000, whichever is less	Treasury (IRS)	Consumer Tax Credit	Jan 1, 2022-Dec 31, 2032	AGI and Sale Price Caps	Individuals, the tax credits can be transferred to the auto dealer	New Program
	Commercial Clean Vehicle Tax Credit (45W) (Sec. 13403) - Accelerates the deployment of clean vehicles for commercial and other fleets.	\$3.6 Billion Tax credit of 15% of the vehicle cost (30% for a pure EV), but not more than the incremental cost of above what a comparable powered solely by gasoline or diesel would cost	Treasury (IRS)	Consumer Tax Credit	Jan 1, 2022-Dec 31, 2032	N/A	Commercial uses	New Program
	Alternative Fueling Property Credit (30C) (Sec. 13404) - Provides a tax credit of up to \$100,000 per property for the installation of EV charging or alternative fueling infrastructure for ethanol, natural gas, compressed natural gas, liquefied natural gas, liquefied petroleum gas or hydrogen.	\$1.7 Billion The base tax credit is 6%, but it increases to 30% if the wage and apprentice requirements are satisfied	Treasury (IRS)	Consumer Tax Credit	Jan 1, 2022-Dec 31, 2032	Restricted to low-income and rural areas; Additional credit for projects guaranteeing prevailing wage for workers and apprentice labor hours	Individuals, Commercial Entities	Existing Program

**Table 5: EV Deployment, Automotive Manufacturing, and Supply Chain (Cont.)**

Category	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Alternative Fuel Credits	Extension of Incentives for Biodiesel, Biodiesel Mixtures, and Renewable Diesel (40A) (Sec. 13201) - Extends the \$1/gallon production tax credit for biodiesel, biodiesel mixtures, and renewable diesel, with an additional \$0.10/gallon credit for small agri-biodiesel producers.	\$5.6 Billion	Treasury (IRS)	Production Tax Credit	Until Dec. 31, 2024	N/A	Producers of biodiesel, biodiesel mixtures, and renewable diesel	Existing Program
Clean MDV/HDV Deployment	Extension of Alternative Fuel Credit (6426) (Sec. 13201) - Extends the \$0.50/gallon production tax credit for alternative fuels, including liquified petroleum gas, CNG/LNG, liquified hydrogen, and others (not including alcohol-based fuels).	\$ 5.6 Billion	Treasury (IRS)	Production Tax Credit	Until Dec. 31, 2024	N/A	Producers/vendors of qualifying alternative fuels for use in motor vehicles, motor boats, or aviation	Existing Program
	Clean Heavy Duty Vehicles (Sec. 60101) - Provides grants to support the replacement of eligible vehicles with zero emission class 6 and 7 vehicles, the purchase, installation, operation, or maintenance of charging or fueling infrastructure, and the provision of workforce development and training to support zero emission vehicle adoption.	\$1 Billion	EPA	Competitive Grant	FY2022-FY2031	\$400 Million reserved for grantees in non-attainment areas for any air pollutant	States, municipalities, Tribes, non-profit school transportation associations, entities that sell or lease zero emissions vehicles (ZEVs) or charging/fueling equipment	New Program
	Grants to Reduce Air Pollution at Ports (Sec. 60102) - Awards rebates and grants to purchase or install zero emission port equipment and technology, conduct planning and permitting activities, and develop climate action plans at ports.	\$3 Billion	EPA	Competitive Grant, Rebate	FY2022-FY2027	\$750 Million reserved for grantees in non-attainment areas for any air pollutant	Port authorities, state, regional, local, or Tribal agencies with jurisdiction over port authorities or ports, air pollution control agencies, and private entities that: apply in partnership with any of the aforementioned entities, or own, operate, or use the facilities, cargo handling equipment, transportation equipment, or related technology of a port	New Program
	USPS Clean Fleets (Sec. 70002) - Deposits funding to the Postal Service Fund for the purchase of zero emission delivery vehicles and the purchase, design, and installation of ZEV infrastructure.	\$3 Billion	USPS	Deposit to Postal Service Fund	FY22-FY31	N/A	USPS	New Program
Transit and Mobility	Neighborhood Access and Equity Grant Program (Sec. 60501) - Awards grants to state and local governments to improve community walkability and connectivity through the removal, retrofitting, or replacement of roads and highways.	\$1.893 Billion	DOT (FHWA)	Competitive Grants	FY22-FY26	\$1.262 Billion reserved for projects including those serving DACs, those with CBAs, and those with anti-displacement policies or community land trusts	States and Territories, Tribes, Units of Local Government, Political Subdivisions of a State, MPOs, Special Purpose Districts and Public Authorities with a Transportation Function, Non-Profits and Higher Ed in partnership with any of the above	New Program

## Transmission Deployment

Today's network of transmission and distribution equipment still includes components from over 100 years ago. Varying age, condition, and capacities make it difficult to provide reliable power, and unreliable equipment, severe weather, and overloading can all cause power disruptions and damages to electric equipment. Unfortunately, as climate change gets worse, so does the problem. [More than half of major power outages](#) between 2000 and 2016 were caused by natural hazards such as hurricanes, heat waves, and wildfires.

Building on the \$2.5 billion included in the BIL for transmission build out, the Inflation Reduction Act provides an additional \$2 billion for new construction of high-capacity transmission lines. The Inflation Reduction Act also includes \$760 million in grants to facilitate the siting of interstate transmission lines, and \$100 million for offshore wind transmission planning. Investing in transmission and electric infrastructure is an excellent opportunity to put people to work in the clean economy. Most of the jobs associated with [transmission construction and operations and maintenance](#) are already union jobs. New federal investment going towards the upgrading or construction of new lines should continue to reinforce these high-road, family-sustaining jobs. This can be done by strategically targeting funding for projects utilizing high-road labor standards, such as PLAs. Additionally, investments

passed in the Inflation Reduction Act can support good jobs across the supply chain through utilization of domestically sourced materials for the construction of high-powered transmission lines.

Prioritization should be given to projects that upgrade or construct new interregional transmission lines as well as transmission projects that increase connectivity of renewable generation. According to the [Americans for a Clean Energy Grid](#), the interconnection of our nation's transmission system must be increased drastically in order to supply a resilient, nation-wide grid. Further priority should be given to projects that reduce the renewable [generation queue](#), which currently has 930 gigawatts of clean energy waiting to be connected to the grid. This also includes preparing and building infrastructure to support the vast amounts of future offshore wind deployment. The additional \$100 million of funding for offshore wind planning will support the analysis needed to ensure new offshore funding projects.

Further, the Inflation Reduction Act invests \$9.7 billion for rural electric co-ops to transfer their generation to renewable energy sources. This will allow for rural communities across the country to finance and transition to renewable energy, fortify electric infrastructure, and ensure reliability for rural ratepayers. This provision is also subject to prevailing wages and will create good-paying jobs across the country.



**Table 6: Transmission Deployment**

Category	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Transmission	Transmission Line and Intertie Incentives (Sec. 50151) - Incentives for new high-capacity lines and upgrading existing lines for inter-connections.	\$2 Billion	DOE	Loans, Competitive Grants	FY22-FY31	Prevailing Wage	Utilities, developers, co-ops	New Program
	Siting of Interstate Electricity Transmission Lines (Sec. 50152) - Grants to facilitate new siting of interstate transmission lines.	\$760 Million	DOE	Competitive Grants	FY22-FY31	N/A	State, local, or Tribal government	New Program
Offshore Wind	Interregional and Offshore Wind Electricity Transmission Planning (Sec. 50153) - Integrated planning for connecting new offshore wind projects.	\$100 Million	DOE	Program Funding conducted by agency	FY22-FY32	N/A	Agency Staff	New Program

## Buildings

The buildings sector sits squarely at the intersection of climate change, income inequality, and racial inequity.

The building sector's impact on climate change is undeniable. In 2019, [13% of U.S. greenhouse gas emissions](#) came from direct emissions of the buildings sector, primarily from heating and cooking. When electricity consumed by the end user—indirect emissions—is factored in, buildings account for [31% of total U.S. greenhouse gas emissions](#).

The buildings sector is also one of the most visible examples of racial inequity in the nation. In the United States, people of color are disproportionately impacted by unsafe, hazardous, and energy inefficient housing and schools. People of color are more likely than their white counterparts to live in low-income households and live in high-poverty communities. In addition, they are likely to spend up to half of their income on rent and often spend three times as much on energy as their white counterparts. This energy burden is in part because they are more likely to live in older, less efficient housing resulting in higher energy bills.

Investments in constructing or retrofitting healthy, energy efficient, and climate resilient buildings will drive down the emissions causing climate change and take steps to address the systemic racism pervasive in the public buildings and housing sector while creating good-paying union jobs and fighting income inequality.

The Inflation Reduction Act includes a number of provisions that will improve the energy efficiency of our nation's buildings, including multi-family housing, schools, and commercial buildings. Tax incentives for residential and commercial use were extended ten years as well as expanded to increase eligibility and value to taxpayers. This includes a commercial tax deduction for energy efficiency from which tax-exempt institutions, such as schools, are now able to benefit. Schools can take advantage of this new eligibility by partnering with energy savings performance contractors that can take the tax credit and pass on the savings to school districts. The tax credits pertaining to commercial buildings and multifamily housing also come with the same strong labor standards described in the clean energy section of this site, including prevailing wage and apprenticeship requirements. Knowing these tax incentives will reliably be in place for the next ten years will further incentivize the manufacturing and installation of energy efficient products.

Schools can also benefit from the clean energy tax credits discussed above. Schools are eligible to receive direct payment—effectively grants—for clean energy projects. Because energy use is one of the highest budget items for schools—second only to staff salaries—there is a huge opportunity to significantly reduce energy expenses through clean energy projects and direct those savings to other needs within the school. This could include employing Energy Savings Performance Contracts to fund school retrofits which would, in turn, save schools even more money.

In addition to the new eligibility criteria for schools receiving energy efficient tax deductions, schools are eligible for two additional funding streams. The EPA was allocated \$50 million to address indoor air pollution in schools. This could include the removal of airborne legacy toxics—such as Polychlorinated biphenyls (PCBs) and asbestos—that are often in older school buildings often located in disadvantaged communities. There is also opportunity to address energy efficiency, health, and climate resilience in schools with the \$3 billion that is allocated for Climate and Environmental Justice Block Grants.

The law also includes grant funding to improve energy efficiency, safety, health, and affordability of homes. For example, it includes \$4.3 billion for whole home retrofits, such as improved insulation, and \$200 million for contractor training for energy efficiency improvements. It also includes \$1 billion for energy efficiency, water efficiency, and climate resilience in affordable housing. These investments in residential energy efficiency complement the historic investment made in the Weatherization Assistance Program and the Low-Income Home Energy Assistance Program in the BIL. The sum of these programs will translate into lower energy bills for households, quality jobs in the community, and reduced emissions that significantly move us towards our national climate action goals.

In addition to its focus on residential buildings, the Inflation Reduction Act also includes \$250 million to retrofit federal buildings and \$1 billion in investments to upgrade building codes. In conjunction with BIL funding for federal buildings and building codes—and \$250 million to EPA to enhance environmental reporting criteria for building products—these investments will send strong market signals for the jobs and manufacturing that accompany the installation and use of these energy-efficient products.

**Table 7: Buildings**

Category	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
<b>Federal</b>	High Performance Green Buildings (Sec. 60502) - Provides funding to the General Services Administration (GSA) to convert GSA facilities to high-performance green buildings.	\$250 Million	GSA	Federal Buildings Fund; Internal Agency Budget	FY22-31	N/A	Federal facilities	Existing Program
<b>Public Buildings/ MUSH - Municipal University Schools Hospitals</b>	School air pollution (Sec. 60106) - Grants and technical assistance to monitor and reduce air pollution at public schools in low-income and disadvantaged communities.	\$50 Million	EPA (OAR)	Competitive Grants	FY22 - FY31	Low-income and disadvantaged communities	Schools, public	Existing Program
<b>Commercial</b>	Energy Efficient Commercial Buildings Tax Deduction (179D) (Sec. 13303) - Enables building owners to claim a tax deduction for installing qualifying systems in buildings that reduce energy usage by at least 25%. Tenants may be eligible if they make construction expenditures.	\$360 Million	Treasury (IRS)	Tax Deduction	Jan 1, 2022 - Dec 31, 2031	Prevailing Wage, Apprenticeship Utilization	Retrofits qualify at commercial buildings placed in service five years or more before establishment of a qualified retrofit plan; government and tax-exempt entities can assign the deductions to the person primarily responsible for the design work	Existing Program
<b>Residential</b>	Home Energy Performance-Based, Whole House Rebates (Sec. 50121) - Provides rebates to homeowners for a host of home improvements, including insulation updates, HVAC system replacements, and retrofits that save whole-house energy use. Larger rebates would be available for lower-income program participants.	\$4.3 Billion	DOE	Formula Grants	FY22 - FY31	State Energy Offices may increase amount of rebate to low or middle income households	State Energy Offices	New Program
	State-based Home energy efficiency contractor training grants (Sec 50123) - Training and education to contractors involved in the installation of home energy efficiency and electrification improvements.	\$200 Million	DOE	Formula grants	FY22- FY31	N/A	State Energy Offices	New Program
	High-Efficiency Electric Home Rebate (Sec. 50122) - Electrification rebates for qualified/efficient: heat pumps, stoves, insulation, etc; majority of rebates, designated for tribal or low-income communities, are called "qualified electrification project" (QEP).	\$4.5 Billion	DOE	Formula Grants	FY22 - FY31	Rebates target low- and middle- income households	State Energy Offices, Tribes	New Program

**Table 7: Buildings (Cont.)**

Category	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Residential	Residential energy efficiency tax credit (25C) (Sec. 13301) - Provides homeowners with a 30% tax credit for the cost of certain high-efficiency heating, cooling, water-heating appliances, energy-efficient windows and doors, and home energy audits. The maximum annual credit is \$1,200 (\$2,000 for heat pumps and biomass stoves and boilers). There are sub-limits for particular types of equipment.	\$12.45 Billion	Treasury (IRS)	Tax Credit	2023-2032	Qualified manufacturer list	Homeowners	Existing Program
	New Energy Efficient Home Tax Credit (45L) (Sec. 13304) - Builders can claim a tax credit of up to \$5,000 for each new home or dwelling unit that meets specified energy efficiency requirements.	\$2.04 Billion	Treasury (IRS)	Tax Credit	2023-2032	Prevailing Wage for multi-family buildings	Builders	Existing Program
Affordable Housing	Improving Energy Efficiency or Water Efficiency or Climate Resilient of Affordable Housing (Sec. 30002) - Eligible owners and sponsors receive grants and loans to improve their buildings' energy efficiency, water efficiency, and resilience.	\$1 Billion	HUD	Direct Loans, Competitive Grants	FY22-28	Owners agree to extended affordability of the property	Owners and sponsors of HUD-subsidized Section 202, 811, Project-based Section 8, and Section 236 properties that agree to an extended period of affordability	New Program
Commercial and Residential	Building codes (Sec. 50131) - Assist states and local governments with 1) building code adoption 2) towards zero energy building codes.	\$1 Billion	DOE/Building Technologies Office	Competitive Grants	FY22-29	No match requirement	States and local governments	New Program

## Supporting Energy Transition Workers and Communities

An energy transition that is fair for workers and communities will not happen organically. Working people have too often felt the pain of shifts in technology. We can't leave workers or communities behind as these changes happen in our economy, which are also the changes necessary to avoid the worst impacts of climate change. Prioritizing and targeting federal resources to workers and communities in places impacted by this shift needs to be a deliberate choice.

The Inflation Reduction Act provides some of this needed investment, particularly by driving clean energy investments into communities impacted by energy transition. This includes the Energy Communities Credit (referenced in the Clean Energy Jobs section), which provides a bonus tax credit to drive clean energy investments to energy communities where, among other possible metrics, a coal mine or coal-fired power plant has recently closed. Communities are eligible if they are in census tracts in which a coal mine has closed after December 31, 1999 where a coal-fired electric generating unit closed after December 31, 2009; or a census tract which directly adjoins an impacted census tract.

Additionally, the law provides over \$10 billion in financing for rural renewable energy investments through the U.S. Department of Agriculture. The Inflation Reduction Act will also drive clean energy manufacturing alongside these clean energy investments. The law also revives the Section 48C qualified advanced energy property credit with a \$4 billion set aside for energy transition communities. This investment will help establish, expand, or retool clean and advanced energy, vehicle, and technology factories in states and regions—like West Virginia, Pennsylvania, and Colorado—that have faced job loss and economic devastation due to plant or mine closures.

The Inflation Reduction Act also creates a new program within DOE's Loan Programs Office to help decarbonize and re-use existing energy infrastructure: the Energy Infrastructure Reinvestment (EIR) Program. Funded at \$5 billion, the reinvestment criteria is broad, including nearly any activity lowering emissions—everything from reducing emissions from continuing operations, to fully redeveloping energy facilities for a different economic purpose. If targeted the right way, this financing could support economic redevelopment

in communities impacted by energy transition: it explicitly supports local community benefits and the acceleration of land remediation efforts.

In addition to driving needed clean energy and manufacturing investments into these communities, the Inflation Reduction Act permanently extends the Black Lung Excise Tax to maintain the funding that provides critical benefits to miners and families. The Black Lung Excise Tax supports the Black Lung Disability Trust Fund (BLDTF) and is paid by coal companies at the current rate of \$0.55/ ton of surface-mined coal, and \$1.10/ ton of coal mined underground. The BLDTF pays for medical benefits and provides a small monthly living stipend to coal miners who are disabled by black lung disease, and to their surviving dependents.

All of these provisions will leverage and build upon investments already made in the BIL. The addition of the clean energy and manufacturing provisions in the Inflation Reduction Act adds to the BIL's strong focus on environmental remediation and provides funding for clean energy deployment, manufacturing, and economic support for communities impacted by energy transition.

However, some critical support for workers and communities was not included in the Inflation Reduction Act, including funding for dislocated workers, and additional funding for the Economic Development Administration. More must be done to provide meaningful support for workers who have borne and will continue to bear the brunt of job loss in this energy transition: workers dislocated from coal mines, coal power plants, and oil refineries.



**Table 8: Supporting Energy Transition Workers and Communities**

Category	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Economic Development and Clean Energy Deployment	Prioritization of the Advanced Energy Project Credit in Energy Communities (Sec. 13501) - Revives the Section 48C qualified advanced energy property credit, and reserves \$4 billion for manufacturing investments to boost job growth and economic opportunities in energy communities (communities in a census tract or a directly adjoining census tract in which a coal mine closed after 1999 or coal-fired electric generating unit closed after 2009).	\$10 Billion	DOE	Tax Credit	FY23	Prevailing Wage, Apprenticeship Utilization	Qualifying manufacturing and industrial facilities	Existing Program
	Energy Communities Bonus Credit (Sec. 13101, 13102, 13701, 13702) - (Applicable for the Clean Energy PTCs and ITCs). For qualified facilities that are placed in service within an energy community, a 10% extra ITC (2% if wage and apprentice requirements not satisfied) or PTCs at 1.10% of the rate for which the project would otherwise qualify.	Up to 10% ITC on project cost (or up to a 10% increment on PTCs)	Treasury (IRS)	Tax Credit	FY23-FY35	For full 10%: Prevailing Wage and Apprenticeship Requirements	This bonus credit is for 1. Projects on brownfield sites 2. Projects in metropolitan or non-metropolitan statistical areas that (A) at any time after 2009 had 0.17% or greater direct employment or 25% or greater local tax revenues that are attributable to the extraction, processing, transport, or storage of coal, oil or natural gas industries and (B) had an unemployment rate at or above the national unemployment rate for the prior year 3. Projects in census tracts in which (or census tracts adjoining census tracts in which) a coal mine closed after 1999 or a coal-fired electric generating unit retired after 2009.	New Program
	Energy Infrastructure Reinvestment Financing (Sec. 50144) - Establishes a program to provide financial support to eligible entities to retool, repower, repurpose, or replace energy infrastructure that has ceased operations; or enable operating energy infrastructure to avoid, reduce, utilize, or sequester air pollutants greenhouse gas emissions.	\$5 Billion	DOE (LPO)	Loans	FY 22-26	Proposal must include an analysis of how the proposed project will engage with and affect associated communities	Developers, utilities, nonprofits, co-ops	New Program
Worker Health and Safety	Superfund (Sec. 13601) - Reinstates the Superfund excise tax on oil and petroleum, which provides the federal government with resources to respond to environmental threats not otherwise addressed by responsible parties.	N/A	EPA (OLEM)	Excise Tax	FY23-32	N/A	Sites deemed "Superfund" by EPA. Funds replenish the Hazardous Substance Superfund Trust Fund (Superfund)	Existing program
	Black Lung (Sec. 13901) - Permanently extends the tax to fund the Black Lung Disability Trust Fund.	N/A	DOL (OWCP)	Excise Tax	Permanent	N/A	Coal miners disabled by Black Lung and their dependents	Existing Program

## Resilient and Healthy Communities

The Inflation Reduction Act includes community-based investments to reduce pollution in disadvantaged communities while improving sustainability and resilience. To maintain its commitment to equity and environmental justice, the law allocates \$3 billion for environmental and climate justice block grants, which can be used for community-led monitoring and remediation of emissions, mitigating the effects of urban heat islands, and facilitating the engagement of disadvantaged communities in federal and state policymaking. In addition to those block grants, the law includes \$50 million to address indoor air quality and emissions at schools in low income and disadvantaged communities through monitoring programs and technical assistance.

The Inflation Reduction Act also contains a number of provisions that will support state, Tribal, and local governments in climate change planning, resilience, adaptation, and response, prioritizing low-income communities and communities of color that are disproportionately affected by climate impacts. This includes: \$2.6 billion in National Oceanic and Atmospheric Administration (NOAA) grants to protect coastal communities and conserve and restore coastal habitats; \$5 billion in grants to support resilient forests and communities; \$5 billion in grants for drought resilience; and nearly \$250 million for Tribal and Native Hawaiian climate resilience and adaptation programs. These critical investments strengthen those already

made in the BIL, including historic funding levels for the NOAA Community-Based Restoration Project, National Coastal Resiliency Fund, and Flood Mitigation Assistance.

Additionally, the legislation creates the Methane Emissions Reduction Program (MERP), which will use nearly \$1.5 billion in funding to mitigate methane pollution by providing assistance to companies to reduce their methane emissions. The law also allows for the funding to be used for communities impacted by methane and other greenhouse gas pollution including by mitigating health effects of methane and supporting environmental restoration.

Restoration of natural ecosystems and climate resilience go hand-in-hand. Combined with the efforts made in the BIL, the Inflation Reduction Act will help ensure that our infrastructure and communities are prepared for the impacts of climate change. These investments can be built on and expanded to ensure that we create high-quality jobs in the restoration work and put communities first in planning and preparing for future conditions.

Unfortunately, the Inflation Reduction Act did not include investments in our care economy. Funding is still needed for states to strengthen the Home and Community Based Services workforce and assess availability and barriers to accessing home and community-based services.



**Table 9: Resilient and Healthy Communities**

Category	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Community and Worker Resilience	Environmental and Climate Justice Block Grants (Sec. 60201) - Funding for community-led efforts in disadvantaged communities to address climate and environmental injustice.	\$3 Billion	EPA (OEJ)	Block Grant	FY22-26	To benefit disadvantaged communities	Community-based non-profit or partnership of aforementioned plus Tribe, local government, or institution of higher education	New Program
	Funding to Address Air Pollution (Sec. 60103) - \$117.5 million to deploy, integrate, support, and maintain fence-line air monitoring. \$50 million to expand the national ambient air monitoring network with new multi-pollutant monitors and to replace, repair, and maintain existing monitors. \$3 million to operate air quality sensors in low-income and disadvantaged communities. \$15 million to test and address emissions from wood heaters. \$20 million for monitoring methane emissions. \$25 million for Clean Air Act Grants. \$5 million for implementing greenhouse gas and zero-emissions standards relating to mobile sources.	\$235.5 Million	EPA (OAR)	Competitive grants	FY22-FY31	To benefit low-income or disadvantaged communities	State air pollution control agencies; public or nonprofit private agencies, institutions, and organizations; tribes; individuals	Existing Program
	NOAA National Coastal Resilience Fund (Sec. 40001) - For the conservation, restoration, and protection of coastal and marine habitats, resources, Pacific salmon, and other marine fisheries, to enable coastal communities to prepare for extreme storms and other changing climate conditions, and for projects that support natural resources that sustain coastal and marine resource-dependent communities, marine fishery and marine mammal stock assessments, and for related administrative expenses.	\$2.6 Billion	Commerce (NOAA)	Contracts, Formula Grants, Cooperative Agreements, and Technical Assistance.	FY22-FY26	Secretary may waive or reduce the required non-Federal share	Coastal states, Governments, nonprofit organizations, local governments, and institutions of higher education	Existing Program
	Tribal Climate Resilience (Sec. 80001) - For Tribal climate resilience and adaptation programs to support their climate adaptation planning, ocean and coastal management planning, capacity building, and relocation, managed retreat, and protect-in-place planning for climate risks.	\$260 Million	Interior (BIA)	Various (e.g. Technical Assistance, Direct Expenditure, Grants, Contracts, Cooperative Agreements)	FY22-FY31	Not Subject to federal cost-sharing or matching requirements; Excluded from funds calculated for "small and needy" program	Tribal Nations and organizations	Existing Program

**Table 9: Resilient and Healthy Communities (Cont.)**

Category	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Community and Worker Resilience	National Parks and Public Lands Ecosystem Resilience (Sec. 50221-50223) - \$250 million for the conservation, protection, and resiliency of lands and resources administered by National Park Service (NPS) and Bureau of Land Management (BLM), \$250 million to carry out conservation, ecosystem and habitat restoration projects on lands administered by NPS and BLM. \$500 million to provide funding for hiring employees of the NPS. \$200 million for deferred maintenance projects in the National Park System.	\$1.2 Billion	Interior (NPS, BLM)	Project Grants	FY22-FY31	Not subject to federal cost-share/matching	N/A - internal federal agency funding	Existing Program
	Drought Response and Preparedness (SEC. 50231-50233) - \$550 million to the U.S. Bureau of Reclamation for disadvantaged communities to cover the cost of projects that can create reliable sources of water. \$25 million to improve canals and other water conveyance facilities by installing solar panels for renewable energy generation. \$4 billion to mitigate the impacts of drought through compensation for reduced water consumption, system conversion projects that reduce water demand, and habitat restoration projects.	\$4.75 Billion	Interior (Bureau of Reclamation)	Formula and Project Grants	FY22-FY31	N/A	Public entities and Tribes	New Program
Reduce Methane Emissions and Leaks	Methane Emissions Reduction Program (Sec. 60113) - For grants, rebates, contracts and loans to provide financial and technical assistance to owners and operators of applicable facilities to prepare and submit greenhouse gas reports; methane emissions monitoring; providing financial and technical assistance to reduce methane and other greenhouse gas emissions from petroleum and natural gas systems, mitigate legacy air pollution from petroleum and natural gas systems in disadvantaged and low-income communities, and support environmental restoration provide support for communities.	\$1.5 Billion	EPA (OAR)	Competitive Grants, Loans, and Technical Assistance	FY22-FY28	N/A	Applicable facility: offshore and onshore petroleum and natural gas production; onshore natural gas processing; onshore natural gas transmission compression; underground natural gas storage; liquefied natural gas storage; liquefied natural gas import and export equipment; onshore petroleum and natural gas gathering and boosting; and onshore natural gas transmission pipeline.	New Program

## Cross-cutting Investments and Metrics

In addition to investments discussed above, the Inflation Reduction Act includes several important provisions that cut across several priority areas.

The Inflation Reduction Act provides an additional \$40 billion of loan authority to the Title 17 Innovative Clean Energy Loan Guarantee Program. This extends to all currently eligible DOE Title 17 Innovative Clean Energy technology categories, which include solar, energy storage, transmission, and wind energy. The law sets aside \$3.6 billion in credit subsidy to support the cost of those loans and 3% for administrative expenses. This funding will also support the programs authorized by the BIL for projects involving critical minerals processing, manufacturing, and recycling, and removes the innovation requirement for State Energy Financing Institution-backed projects.

A new Greenhouse Gas Reduction Fund (sometimes referred to as a green bank) provides funding to support the rapid deployment of low- and zero-emission technologies. The fund is divided into three “pots” of funding. The first contains \$7 billion for programs aimed at deploying clean energy technologies like rooftop solar and pollution-reducing technologies in low-income and disadvantaged communities through providing grants, loans, or other forms of financial assistance and technical assistance. The second pot provides \$8 billion for

eligible institutions that provide financial and technical assistance for clean energy projects benefiting low-income and disadvantaged communities. The third pot contains \$12 billion that can be used broadly to support eligible direct and indirect investments in renewable energy projects nationwide, with a small set aside for administrative costs. These funds can also be used in public/private partnerships.

The Inflation Reduction Act also creates a new \$5 billion Climate Pollution Reduction grant program at the EPA for states, municipalities, and Tribes to develop and implement plans to reduce greenhouse gas pollution. The law provides \$250 million for the development of plans and directs EPA to make planning grants to at least one recipient in each state. EPA will then competitively award \$4.75 billion for the implementation of these plans. These funds can be used for a wide variety of policies, including EV charging infrastructure, buildings, transit, natural infrastructure solutions, and more.

Finally, the law includes nearly \$1 billion to ensure federal agencies can conduct efficient and effective environmental reviews and public engagement on large, federally-funded infrastructure and climate projects. This funding is split up through multiple agencies across the federal government and will be key to ensuring that we can rapidly deploy clean energy technology.



**Table 10: Cross-cutting Investments and Metrics**

Category	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Cross-cutting	Title 17 Innovative Clean Energy Loan Guarantee Program (Sec. 50141) - Provides an additional \$40 billion of loan authority for clean energy projects eligible for loan guarantees under section 1703 of the Energy Policy Act of 2005.	\$40 Billion	DOE (LPO)	Loans	FY 22-26	N/A	Developers, utilities, nonprofits	Existing Program
	Greenhouse Gas Reduction Fund (Sec. 60103) - Funding to deploy low and zero emissions technologies, especially in low income and disadvantaged communities.	\$27 Billion	EPA	Competitive grants	FY22-FY24	To benefit low-income and disadvantaged communities	States, municipalities, and Tribal governments; non-profit organizations	New Program
	Climate Pollution Reduction Grants (Sec. 60114) - Grants to allow states, municipalities, and Tribes to develop and implement plans to reduce greenhouse gas pollution.	\$ 5 Billion	EPA (OAR)	Competitive grants	FY22-31	Applications must include the degree to which greenhouse gas air pollution is projected to be reduced in low-income and disadvantaged communities.	State air pollution control agencies; public or nonprofit private agencies, institutions, and organizations; Tribes	New Program
	Funding for environmental review (Sec. 23001, 50301, 50302, 50303, 60115, 60402, 60505, 70007) - Funding for federal agencies to ensure efficient and effective environmental reviews for large federally funded projects.	\$995 Million	DOE, FERC, DOI, DOT (FHWA), EPA, USFS, CEQ, Federal Permitting Improvement Steering Council	N/A	N/A	FY22-26	N/A	N/A - internal federal agency funding



# KEY PROVISIONS BY AGENCY

**Table 11: U.S. Department of the Treasury/IRS**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Clean Energy Projects that Deliver Good Jobs	Clean Energy Investment Tax Credit (ITC) Extension (Sec. 13102) - Investment tax credits for clean energy deployment, including onshore and offshore wind, solar, geothermal, battery storage, and pumped-storage hydro.	\$13.9 Billion Base Credit: 6% of Project Cost; Bonus Credit: 30% of Project Cost if prevailing wage and registered apprenticeship requirements are met	Treasury (IRS)	Investment Tax Credit Direct pay available for state, local, and tribal governments, TVA, rural electric co-ops, tax exempt (must meet domestic content requirements to receive direct pay, phased in 2024-2026)	FY22-25	Prevailing Wage and Registered Apprenticeship Utilization	Developers, state, local, Tribes, utilities, co-ops, tax-exempt entities	Existing Program
	Clean Energy ITC Technology Neutral, (Sec. 13702) - Investment tax credit for energy deployment for projects with net zero carbon emissions. This credit will go into effect for new projects placed in 2025 through sometime in the 2030s. This credit is not limited to a particular clean energy technology, but rather any technology that does not contribute carbon emissions.	\$50.8 Billion Base Credit: 6% of Project Cost; Bonus Credit: 30% of Project Cost if prevailing wage and registered apprenticeship requirements are met	Treasury (IRS)	Investment Tax Credit Direct pay available for state, local, and tribal governments, TVA, rural electric co-ops, tax exempt entities (must meet domestic content requirements to receive direct pay, phased in 2024-2026)	FY25-35*	Prevailing Wage and Registered Apprenticeship Utilization	Developers, state, local, tribes, utilities, co-ops, tax-exempt entities	New Program; Technology Neutral
	Clean Energy Production Tax Credit (PTC) Extension (Sec. 13101) - Production tax credits for clean energy deployment, including solar, offshore and onshore wind, and geothermal to receive a tax credit for the production of electricity based on kilowatt-hour of power produced.	\$51 Billion Base Credit: 0.05 cents per kWh, increased for inflation since 1992 Bonus Credit: .25 cents per kWh if prevailing wage and registered apprenticeship requirements are met, increased for inflation since 1992**	Treasury (IRS)	Production Tax Credit Direct pay available for state, local, and tribal governments, tax exempt entities (must meet domestic content requirements to receive direct pay, phased in 2024-2026)	FY22-25	Prevailing Wage and Registered Apprenticeship Utilization	Developers, utilities, co-ops, state, local, tribes, tax-exempt entities	Existing Program
	Clean Energy Production Tax Credit (PTC) Technology Neutral (Sec. 13701) - PTC for energy projects with net zero carbon emissions. This credit will go into effect for new projects placed in service in 2025 through sometime in the 2030s. This credit is not limited to a particular clean energy technology, but rather any technology that does not contribute carbon emissions.	\$11.2 Billion Base Credit: 0.05 cents per kWh, increased for inflation since 1992 Bonus Credit: .25 cents per kWh if prevailing wage and registered apprenticeship requirements are met, increased for inflation since 1992**	Treasury (IRS)	Production Tax Credit Direct pay available for state, local, and tribal governments, TVA, rural electric co-ops, tax exempt entities (must meet domestic content requirements to receive direct pay, phased in 2024-2026)	FY25-35*	Prevailing Wage and Registered Apprenticeship Utilization	Developers, utilities, co-ops, state, local, tribes, tax-exempt entities	New Program; Technology Neutral

**Table 11: U.S. Department of the Treasury/IRS (Cont.)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Clean Energy Projects that Deliver Good Jobs	Domestic Content Bonus Credit (Sec. 13101, 13102, 13701, 13702) - (Applicable for the Clean Energy PTCs and ITCs). Establishes a bonus 10% ITC (2% if wage and apprentice requirements not satisfied) or PTCs at 1.10% of the rate for which the project would otherwise qualify for projects utilizing domestic content. This credit will support projects that use domestically made iron and steel as well as a certain percentage of other manufactured components.	Up to 10% ITC on project cost (or up to a 10% increment on PTCs)	Treasury (IRS)	Tax Credit Direct pay is available for state, local, and tribal governments, TVA, rural electric co-ops, and tax-exempt entities utilizing the domestic content preference.	FY23-35*	Projects utilizing domestically produced iron and steel, and 55% of manufactured goods. (A ramp up approach annually starting in 2024, ending in 2027 at 55%. Offshore wind will have until 2028 to meet domestic content requirements of 55%	Developers, utilities, co-ops, state, local, tribal, tax-exempt entities	New Program
	Energy Communities Bonus Credit (Sec. 13101, 13102, 13701, 13702) - (Applicable for the Clean Energy PTCs and ITCs). For qualified facilities that are placed in service within an energy community, a 10% extra ITC (2% if wage and apprentice requirements not satisfied) or PTCs at 1.10% of the rate for which the project would otherwise qualify.	Up to 10% ITC on project cost (or up to a 10% increment on PTCs)	Treasury (IRS)	Tax Credit	FY23-35*	For full 10%: Prevailing Wage and Apprenticeship Requirements	This bonus credit is for: 1. Projects on brownfield sites 2. Projects in metropolitan and non-metropolitan statistical areas that (A) at any time after 2009 had 0.17% or greater direct employment or 25% or greater local tax revenues that are attributable to the extraction, processing, transport or storage of coal, oil or natural gas and (B) had an unemployment rate at or above the national unemployment rate for the prior year 3. Projects in census tracts in which (or census tracts adjoining census tracts in which) a coal mine closed after 1999 or a coal-fired electric generating unit retired after 2009.	New Program

**Table 11: U.S. Department of the Treasury/IRS (Cont.)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Clean Energy Projects that Deliver Good Jobs	Low Income Communities Bonus Credit (Sec. 13103) - (Applicable for the Clean Energy ITCs). An additional ITC of 10% or 20% is available for the development of wind and solar projects in low income communities.	10% or 20% of project cost	Treasury (IRS)	Investment Tax Credit	FY23-25	Requires an allocation of credits by the IRS, which has 1,800 MW to allocate in each of calendar years 2023 and 2024	This bonus credit is specifically for solar and wind projects built in low-income communities or on Indian land or that are part of a qualified low-income residential building project or a qualified low-income benefit project, and associated storage, but only for projects with maximum net output of less than 5 megawatts.	New Program
	Extension and Modification of Carbon Dioxide Sequestration Credit (Sec. 13104) - Extends the credit for carbon oxide capture facilities that begin construction before the end of 2032. A base credit rate of \$17 or a bonus credit rate of \$85 per metric ton of carbon oxide captured for geological storage and a base credit rate of \$12 or a bonus credit rate of \$60 per metric ton of carbon oxide captured and used for enhanced oil recovery or to make a commercial product. An enhanced credit for direct air capture facilities at a base rate of \$36 or a bonus rate of \$180 per metric ton of carbon oxide captured for geological storage and base rate of \$26 or a bonus rate of \$130 per metric ton of carbon captured and used for enhanced oil recovery or to make a commercial product.	\$3.2 Billion Bonus rate of \$60, \$85, or \$180 per metric ton of CO <sub>2</sub> , depending on the form of carbon capture and the use to which the captured CO <sub>2</sub> is put	Treasury (IRS)	Tax Credit , Direct pay available for five years	FY23-32.	Prevailing Wage, Apprenticeship Utilization	Carbon capture, utilization, and storage; facilities; electric generation; industrial facilities	Existing Program

**Table 11: U.S. Department of the Treasury/IRS (Cont.)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Clean Energy Projects that Deliver Good Jobs	Zero Emissions Nuclear Power Production Credit (Sec. 13105) - Credit for existing facilities producing nuclear power, regardless of the age of the facility, this credit does not however cover advanced nuclear facilities.	\$30 Billion Base rate of 0.3 cents per kWh, increased for inflation since 1992. Bonus rate of 1.5 cents per kWh, increased for inflation since 1992. The credit amount is reduced as the electricity price increases.	Treasury (IRS)	Production Tax Credit	FY23-32	Prevailing Wage, Apprenticeship utilization	Existing nuclear power facilities	New Credit
	Clean Hydrogen Credit (Sec. 13204) - Credit for producing hydrogen where the lifecycle ("well-to-gate") greenhouse gas emissions to make the hydrogen are no more than 4 kg per kg of hydrogen. The full credit can be claimed only if lifecycle greenhouse gas emissions are less than 0.45 kg per kg of hydrogen. Option to claim an ITC on the hydrogen production facility instead.	\$13 Billion Maximum PTC of \$3 per kilogram of clean hydrogen, and maximum ITC of 30% of facility cost	Treasury (IRS)	Tax Credit, Direct pay for PTCs (but not ITC) available for five years	FY22-32	Prevailing Wage, Apprenticeship utilization	Owner of a qualified clean hydrogen production facility	New Credit
Clean Technology Manufacturing	Extension of the Advanced Energy Project Credit (48C) (Sec. 13501) - Investment tax credit for establishing or retooling a factory to produce a wide range of clean technologies (including renewable energy and EV components). The tax credit also is expanded to cover installation of equipment that achieves an at least 20% reduction in climate pollution.	\$10 Billion Base Credit: 6% Bonus Credit: 30%	Treasury (IRS)/ DOE	Investment Tax Credit (Direct pay only for tax-exempt and government entities)	Changes begin in 2023. The IRS is expected to allocate the full \$10 billion in available tax credits in 2023.	Prevailing Wage, Apprenticeship utilization required for bonus credit of 30% instead of base credit of 6%	Manufacturing companies \$4 billion set aside for former coal communities (census tracts with mines closed post-1999 and/or power plants closed post-2009)	Existing Program
	Advanced Manufacturing Production Credit (45X) (Sec. 13502) - New production tax credit for manufacturing solar, wind, and battery components and processing critical minerals including aluminum, cobalt, lithium, nickel, and more to incentivize building new U.S. facilities to support clean energy supply chains at a globally competitive scale.	\$30.622 Billion (This is the Joint Committee on Taxation's estimate for the credit's total value.)	Treasury (IRS)	Production Tax Credit (Direct pay for all entities for five years)	Starts in 2023. The phase-out for solar, wind, and battery components begins in 2030, ends after 2032. The tax credit for critical minerals is permanent.	N/A	Manufacturing and mining companies	New Program

**Table 11: U.S. Department of the Treasury/IRS (Cont.)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
EV Deployment, Automotive Manufacturing, and Supply Chain	Clean Vehicle Tax Credit (30D) (Sec. 13401) - Encourages the deployment of clean vehicles made in North America with batteries made with North American-manufactured components and critical minerals sourced from countries with which the United States has a free trade agreement.	\$7.5 Billion	Treasury (IRS)	Consumer Tax Credit	Jan 1, 2022-Dec 31, 2032	Final Assembly and Component Conditions; AGI and MSRP Caps	Individuals, the tax credits can be transferred to the auto dealer	Existing Program
	Used Clean Vehicle Tax Credit (25E) (Sec. 13402) - Accelerates the creation of a secondary market for EVs in order to extend EV access and improve affordability for low-income drivers.	\$1.3 Billion Tax credit of 30% of the vehicle cost or \$4,000, whichever is less	Treasury (IRS)	Consumer Tax Credit	Jan 1, 2022-Dec 31, 2032	AGI and Sale Price Caps	Individuals, the tax credits can be transferred to the auto dealer	New Program
	Commercial Clean Vehicle Tax Credit (45W) (Sec. 13403) - Accelerates the deployment of clean vehicles for commercial and other fleets.	\$3.6 Billion Tax credit of 15% of the vehicle cost (30% for a pure EV), but not more than the incremental cost of above what a comparable powered solely by gasoline or diesel would cost	Treasury (IRS)	Consumer Tax Credit	Jan 1, 2022-Dec 31, 2032	N/A	Commercial uses	New Program
	Alternative Fueling Property Credit (30C) (Sec. 13404) - Provides a tax credit of up to \$100,000 per property for the installation of EV charging or alternative fueling infrastructure for ethanol, natural gas, compressed natural gas, liquefied natural gas, liquefied petroleum gas or hydrogen.	\$1.7 Billion The base tax credit is 6%, but it increases to 30% if the wage and apprentice requirements are satisfied	Treasury (IRS)	Consumer Tax Credit	Jan 1, 2022-Dec 31, 2032	Restricted to low-income and rural areas; Additional credit for projects guaranteeing prevailing wage for workers and apprentice labor hours	Individuals, Commercial Entities	Existing Program
	Extension of Incentives for Biodiesel, Biodiesel Mixtures, and Renewable Diesel (40A) (Sec. 13201) - Extends the \$1/gallon production tax credit for biodiesel, biodiesel mixtures, and renewable diesel, with an additional \$0.10/gallon credit for small agri-biodiesel producers.	\$5.6 Billion	Treasury (IRS)	Production Tax Credit	Until Dec. 31, 2024	N/A	Producers of biodiesel, biodiesel mixtures, and renewable diesel	Existing Program
	Extension of Alternative Fuel Credit (6426) (Sec. 13201) - Extends the \$0.50/gallon production tax credit for alternative fuels, including liquefied petroleum gas, CNG/LNG, liquefied hydrogen, and others (not including alcohol-based fuels).	\$5.6 Billion	Treasury (IRS)	Production Tax Credit	Until Dec. 31, 2024	N/A	Producers and vendors of qualifying alternative fuels for use in motor vehicles, motor boats, or aviation	Existing Program

**Table 11: U.S. Department of the Treasury/IRS (Cont.)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Buildings	Energy Efficient Commercial Buildings Tax Deduction (179D) (Sec. 13303) - Enables building owners to claim a tax deduction for installing qualifying systems in buildings that reduce energy usage by at least 25%. Tenants may be eligible if they make construction expenditures.	\$360 Million	Treasury (IRS)	Tax Deduction	Jan 1, 2022 - Dec 31, 2031	Prevailing Wage, Apprenticeship Utilization	Retrofits qualify at commercial buildings placed in service five years or more before establishment of a qualified retrofit plan; government and tax-exempt entities can assign the deductions to the person primarily responsible for the design work	Existing Program
	Residential energy efficiency tax credit (25C) (Sec. 13301) - Provides homeowners with a 30% tax credit for the cost of certain high-efficiency heating, cooling, water-heating appliances, energy-efficient windows and doors, and home energy audits. The maximum annual credit is \$1,200 (\$2,000 for heat pumps and biomass stoves and boilers). There are sub-limits for particular types of equipment.	\$12.45 Billion	Treasury (IRS)	Tax Credit	2023-2032	Qualified manufacturer list	Homeowners	Existing Program
	New Energy Efficient Home Tax Credit (45L) (Sec. 13304) - Builders can claim a tax credit of up to \$5,000 for each new home or dwelling unit that meets specified energy efficiency requirements.	\$2.04 Billion	Treasury (IRS)	Tax Credit	2023-2032	Prevailing Wage for multi-family buildings	Builders	Existing Program

**Table 11: U.S. Department of the Treasury/IRS (Cont.)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Supporting Energy Transition Workers and Communities	Energy Communities Bonus Credit (Sec. 13101, 13102, 13701, 13702) - (Applicable for the Clean Energy PTCs and ITCs). For qualified facilities that are placed in service within an energy community, a 10% extra ITC (2% if wage and apprentice requirements not satisfied) or PTCs at 1.10% of the rate for which the project would otherwise qualify.	Up to 10% ITC on project cost (or up to a 10% increment on PTCs)	Treasury (IRS)	Tax Credit	FY23-FY35	For full 10%: Prevailing Wage and Apprenticeship Requirements	This bonus credit is for 1. Projects on brown-field sites 2. Projects in metropolitan or non-metropolitan statistical areas that (A) at any time after 2009 had 0.17% or greater direct employment or 25% or greater local tax revenues that are attributable to the extraction, processing, transport, or storage of coal, oil or natural gas industries and (B) had an unemployment rate at or above the national unemployment rate for the prior year 3. Projects in census tracts in which (or census tracts adjoining census tracts in which) a coal mine closed after 1999 or a coal-fired electric generating unit retired after 2009.	New Program

*\*This credit begins to phase out in 2034, reducing 25% annually, until 2035, at which point it phases out all together. Further, the credit remains available if U.S. annual greenhouse gas emissions have reduced by 75% by the time the credit phases out.*

*\*\*Sec. 13101 and 13701 provide a credit per kilowatt hour. The legislation allows for the price to increase to adjust for inflation since 1992. The bill specifies the credit as .03/.15 cents per kWh, however the price adjusted for inflation would be .05/.25 cents per kWh.*

**Table 12: U.S. Department of Energy (DOE)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Clean Technology Manufacturing	Extension of the Advanced Energy Project Credit (48C) (Sec. 13501) - Investment tax credit for establishing or retooling a factory to produce a wide range of clean technologies (including renewable energy and EV components). The tax credit also is expanded to cover installation of equipment that achieves an at least 20% reduction in climate pollution.	\$10 Billion Base Credit: 6% Bonus Credit: 30%	Treasury (IRS)/ DOE	Investment Tax Credit (Direct pay only for tax-exempt and government entities)	Changes begin in 2023 The IRS is expected to allocate the full \$10 billion in available tax credits in 2023.	Prevailing Wage, Apprenticeship Utilization required for bonus credit of 30% instead of base credit of 6%	Manufacturing companies \$4 billion set aside for former coal communities (census tracts with mines closed post-1999 and/or power plants closed-post 2009)	Existing Program
	Defense Production Act (DPA) (Sec. 30001) - Funding for DPA, which the Biden administration is using to spur growth in clean technology manufacturing.	\$500 Million	DOD/DOE	Purchase agreements, loans and loan guarantees, or technology procurement	FY22-FY24	N/A	N/A	Existing Program
Industrial Transformation	Advanced Industrial Facilities Deployment Program (Sec. 50161) - Financial assistance for commercial-scale deployment of industrial emissions reduction technology.	\$5.812 Billion	DOE	Competitive Financial Assistance (Grants, Rebates, Loans, or Cooperative Agreements)	FY 22-26	Criteria for competitive applications include measuring the benefits to the local community	A domestic, non-Federal, nonpower industrial or manufacturing facility engaged in energy-intensive industrial processes	New Program
EV Deployment, Automotive Manufacturing, and Supply Chain	Advanced Technology Vehicle Manufacturing Loan Program (ATVM) (Sec. 50142) - Provides direct loans to manufacturers to re-equip, expand, or establish facilities that produce clean vehicles (light-, medium-, or heavy-duty) and their components, as well as trains/locomotives, maritime vessels, aircraft, and hyperloop technology. Eliminates the cap (previously \$25 billion) on loans from the ATVM.	\$3 Billion	DOE	Direct Loans	FY2022-FY2028	Prevailing Wage for Construction Work	Facilities manufacturing: fuel efficient light, medium- and heavy-duty vehicles, maritime vessels, trains, aircraft, and hyperloop technology, and facilities manufacturing parts for any of the above vehicles	Existing Program
	Domestic Manufacturing Conversion Grants (Sec. 50143) - Provides grants to support the domestic production of EVs, hybrids, plug-in hybrid electric vehicles (PHEV), and hydrogen fuel cell vehicles, especially in recently closed or at-risk facilities.	\$2 Billion	DOE	Competitive Grant	FY2022-FY2031	Prevailing Wage for Construction Work	Facilities manufacturing: EVs, hybrids, PHEVs, and hydrogen fuel cell vehicles	Existing Program (First Time Funding)

**Table 12: U.S. Department of Energy (DOE) (Cont.)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Transmission Deployment	Transmission Line and Intertie Incentives (Sec. 50151) - Incentives for new high-capacity lines and upgrading existing lines for interconnections.	\$2 Billion	DOE	Loans, Competitive Grants	FY22-FY31	Prevailing Wage	Utilities, developers, co-ops	New Program
	Siting of Interstate Electricity Transmission Lines (Sec. 50152) - Grants to facilitate new siting of interstate transmission lines.	\$760 Million	DOE	Competitive Grants	FY22-FY31	N/A	State, local, or Tribal government	New Program
	Interregional and Offshore Wind Electricity Transmission Planning (Sec. 50153) - Integrated planning for connecting new offshore wind projects.	\$100 Million	DOE	Program Funding conducted by agency	FY22-FY32	N/A	Agency Staff	New Program
Buildings	Home Energy Performance-Based, Whole House Rebates (Sec. 50121) - Provides rebates to homeowners for a host of home improvements, including insulation updates, HVAC system replacements, and retrofits that save whole-house energy use. Larger rebates would be available for lower-income program participants.	\$4.3 Billion	DOE	Formula Grants	FY22 - FY31	State Energy Offices may increase amount of rebate to low or middle income households	State Energy Offices	New Program
	State-based Home energy efficiency contractor training grants (Sec 50123) - Training and education to contractors involved in the installation of home energy efficiency and electrification improvements.	\$200 Million	DOE	Formula grants	FY22- FY31	N/A	State Energy Offices	New Program
	High-Efficiency Electric Home Rebate (Sec. 50122) - Electrification rebates for qualified/efficient: heat pumps, stoves, insulation, etc; majority of rebates, designated for tribal or low-income communities, are called "qualified electrification project" (QEP).	\$4.5 Billion	DOE	Formula Grants	FY22 - FY31	Rebates target low- and middle-income households	State Energy Offices, Tribes	New Program
	Building codes (Sec. 50131) - Assist states and local governments with 1) building code adoption 2) towards zero energy building codes.	\$1 Billion	DOE/Building Technologies Office	Competitive Grants	FY22-29	No match requirement	States and local governments	New Program

Table 12: U.S. Department of Energy (DOE) (Cont.)

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Supporting Energy Transition Workers and Communities	Prioritization of the Advanced Energy Project Credit in Energy Communities (Sec. 13501) - Revives the Section 48C qualified advanced energy property credit, and reserves \$4 billion for manufacturing investments to boost job growth and economic opportunities in energy communities (communities in a census tract or a directly adjoining census tract in which a coal mine closed after 1999 or coal-fired electric generating unit closed after 2009).	\$10 Billion	DOE	Tax Credit	FY23	Prevailing Wage, Apprenticeship Utilization	Qualifying manufacturing and industrial facilities	Existing Program
	Energy Infrastructure Reinvestment Financing (Sec. 50144) - Establishes a program to provide financial support to eligible entities to retool, repower, repurpose, or replace energy infrastructure that has ceased operations; or enable operating energy infrastructure to avoid, reduce, utilize, or sequester air pollutants greenhouse gas emissions.	\$5 Billion	DOE (LPO)	Loans	FY 22-26	Proposal must include an analysis of how the proposed project will engage with and affect associated communities	Developers, utilities, nonprofits, co-ops	New Program
Cross-cutting Investments	Title 17 Innovative Clean Energy Loan Guarantee Program (Sec. 50141) - Provides an additional \$40 billion of loan authority for clean energy projects eligible for loan guarantees under section 1703 of the Energy Policy Act of 2005.	\$40 Billion	DOE (LPO)	Loans	FY 22-26	N/A	Developers, utilities, nonprofits	Existing Program
	Funding for environmental review (Sec. 23001, 50301, 50302, 50303, 60115, 60402, 60505, 70007) - Funding for federal agencies to ensure efficient and effective environmental reviews for large federally funded projects.	\$995 Million	DOE, FERC, DOI, FERC, FWHA, EPA, USFS, CEQ, Federal Permitting Improvement Steering Council	N/A	FY22-26	N/A	N/A - internal federal agency funding	N/A

**Table 13: U.S. Environmental Protection Agency (EPA)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Industrial Transformation	Environmental Product Declaration (EPD) Assistance Program (Sec. 60112) - Provide grants and technical assistance to businesses and states/Tribes/nonprofits that support such businesses to develop EPDs and support “other activities that assist in measuring, reporting, and steadily reducing the quantity of embodied carbon of construction materials and products.”	\$250 Million	EPA	Competitive Grant - Project Grant and Technical Assistance	FY 22-31	N/A	Businesses and states, Tribes, and nonprofits that support such businesses	New Program
	Low-Carbon Labeling Program (Sec. 60116) - Identify and label low-embodied carbon materials and products used for buildings and transportation projects.	\$100 Million	EPA	Not specified	FY 22-26	N/A	N/A	New Program
EV Deployment, Automotive Manufacturing, and Supply Chain	Clean Heavy Duty Vehicles (Sec. 60101) - Provides grants to support the replacement of eligible vehicles with zero emission class 6 and 7 vehicles, the purchase, installation, operation, or maintenance of charging or fueling infrastructure, and the provision of workforce development and training to support zero emission vehicle adoption.	\$1 Billion	EPA	Competitive Grant	FY2022-FY2031	\$400 Million reserved for grantees in non-attainment areas for any air pollutant	States, municipalities, Tribes, non-profit school transportation associations, entities that sell or lease zero emissions vehicles (ZEVs) or charging or fueling equipment	New Program
	Grants to Reduce Air Pollution at Ports (Sec. 60102) - Awards rebates and grants to purchase or install zero emission port equipment and technology, conduct planning and permitting activities, and develop climate action plans at ports.	\$3 Billion	EPA	Competitive Grant, Rebate	FY2022-FY2027	\$750 Million reserved for grantees in non-attainment areas for any air pollutant	Port authorities, state, regional, local, or Tribal agencies with jurisdiction over port authorities or ports, air pollution control agencies, and private entities that: apply in partnership with any of the aforementioned entities, or own, operate, or use the facilities, cargo handling equipment, transportation equipment, or related technology of a port	New Program
Buildings	School air pollution (Sec. 60106) - Grants and technical assistance to monitor and reduce air pollution at public schools in low-income and disadvantaged communities.	\$50 Million	EPA (OAR)	Competitive Grants	FY22 - FY31	Low-income and disadvantaged communities	Schools, public	Existing Program
Supporting Energy Transition Workers and Communities	Superfund (Sec. 13601) - Reinstates the Superfund excise tax on oil and petroleum, which provides the federal government with resources to respond to environmental threats not otherwise addressed by responsible parties.	N/A	EPA (OLEM)	Excise Tax	FY23-32	N/A	Sites deemed “Superfund” by EPA. Funds replenish the Hazardous Substance Superfund Trust Fund (Superfund)	Existing Program
Healthy and Resilient Communities	Environmental and Climate Justice Block Grants (Sec. 60201) - Funding for community-led efforts in disadvantaged communities to address climate and environmental injustice.	\$3 Billion	EPA (OEJ)	Block Grant	FY22-26	To benefit disadvantaged communities	Community-based non-profit or partnership of aforementioned plus Tribe, local government, or institution of higher education	New Program

**Table 13: U.S. Environmental Protection Agency (EPA) (Cont.)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Healthy and Resilient Communities	Funding to Address Air Pollution (Sec. 60103) - \$117.5 million to deploy, integrate, support, and maintain fence-line air monitoring. \$50 million to expand the national ambient air monitoring network with new multi-pollutant monitors and to replace, repair, and maintain existing monitors. \$3 million to operate air quality sensors in low-income and disadvantaged communities. \$15 million to test and address emissions from wood heaters. \$20 million for monitoring methane emissions. \$25 million for Clean Air Act Grants. \$5 million for implementing greenhouse gas and zero-emissions standards relating to mobile sources.	\$235.5 Million	EPA (OAR)	Competitive grants	FY22-FY31	To benefit low-income or disadvantaged communities	State air pollution control agencies; public or nonprofit private agencies, institutions, and organizations; tribes; individuals	Existing Program
	Methane Emissions Reduction Program (Sec. 60113) - For grants, rebates, contracts and loans to provide financial and technical assistance to owners and operators of applicable facilities to prepare and submit greenhouse gas reports; methane emissions monitoring; providing financial and technical assistance to reduce methane and other greenhouse gas emissions from petroleum and natural gas systems, mitigate legacy air pollution from petroleum and natural gas systems in disadvantaged and low-income communities, and support environmental restoration provide support for communities.	\$1.5 Billion	EPA (OAR)	Competitive Grants, Loans, and Technical Assistance	FY22-FY28	N/A	Applicable facility: offshore and onshore petroleum and natural gas production; onshore natural gas processing; onshore natural gas transmission compression; underground natural gas storage; liquefied natural gas storage; liquefied natural gas import and export equipment; onshore petroleum and natural gas gathering and boosting; and onshore natural gas transmission pipeline.	New Program
Cross-cutting Investments	Greenhouse Gas Reduction Fund (Sec. 60103) - Funding to deploy low and zero emissions technologies, especially in low income and disadvantaged communities.	\$27 Billion	EPA	Competitive grants	FY22-FY24	To benefit low-income and disadvantaged communities	States, municipalities, and Tribal governments; non-profit organizations	New Program
	Climate Pollution Reduction Grants (Sec. 60114) - Grants to allow states, municipalities, and Tribes to develop and implement plans to reduce greenhouse gas pollution.	\$ 5 Billion	EPA (OAR)	Competitive grants	FY22-31	Applications must include the degree to which greenhouse gas air pollution is projected to be reduced in low-income and disadvantaged communities.	State air pollution control agencies; public or nonprofit private agencies, institutions, and organizations; Tribes	New Program
	Funding for environmental review (Sec. 23001, 50301, 50302, 50303, 60115, 60402, 60505, 70007) - Funding for federal agencies to ensure efficient and effective environmental reviews for large federally funded projects.	\$995 Million	DOE, FERC, DOI, FERC, FWHA, EPA, USFS, CEQ, Federal Permitting Improvement Steering Council	N/A	FY22-26	N/A	N/A - internal federal agency funding	N/A

**Table 14: U.S. Department of the Interior (DOI)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Healthy and Resilient Communities	Tribal Climate Resilience (Sec. 80001) - For Tribal climate resilience and adaptation programs to support their climate adaptation planning, ocean and coastal management planning, capacity building, and relocation, managed retreat, and protect-in-place planning for climate risks.	\$260 Million	Interior (BIA)	Various (e.g. Technical Assistance, Direct Expenditure, Grants, Contracts, Cooperative Agreements)	FY22-FY31	Not Subject to federal cost-sharing or matching requirements; Excluded from funds calculated for "small and needy" program	Tribal Nations and organizations	Existing Program
	National Parks and Public Lands Ecosystem Resilience (Sec. 50221-50223) - \$250 million for the conservation, protection, and resiliency of lands and resources administered by National Park Service (NPS) and Bureau of Land Management (BLM), \$250 million to carry out conservation, ecosystem and habitat restoration projects on lands administered by NPS and BLM. \$500 million to provide funding for hiring employees of the NPS. \$200 million for deferred maintenance projects in the National Park System.	\$1.2 Billion	Interior (NPS, BLM)	Project Grants	FY22-FY31	Not subject to federal cost-share/matching	N/A - internal federal agency funding	Existing Program
	Drought Response and Preparedness (SEC. 50231-50233) - \$550 million to the U.S. Bureau of Reclamation for disadvantaged communities to cover the cost of projects that can create reliable sources of water. \$25 million to improve canals and other water conveyance facilities by installing solar panels for renewable energy generation. \$4 billion to mitigate the impacts of drought through compensation for reduced water consumption, system conversion projects that reduce water demand, and habitat restoration projects.	\$4.75 Billion	Interior (Bureau of Reclamation)	Formula and Project Grants	FY22-FY31	N/A	Public entities and Tribes	New Program
Cross-cutting Investments	Funding for environmental review (Sec. 23001, 50301, 50302, 50303, 60115, 60402, 60505, 70007) - Funding for federal agencies to ensure efficient and effective environmental reviews for large federally funded projects.	\$995 Million	DOE, FERC, DOI, DOT (FHWA), EPA, USFS, CEQ, Federal Permitting Improvement Steering Council	N/A	FY22-26	N/A	N/A - internal federal agency funding	N/A

**Table 15: U.S. Department of Agriculture (USDA)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Clean Energy Projects that Deliver Good Jobs	USDA Assistance for Rural Electric Cooperatives (Sec. 22004) - To make grants and loans for electric cooperatives to purchase renewable energy, purchase renewable energy systems and carbon capture and storage systems, deploy such systems, or make energy efficiency improvements and to make grants for debt relief and other costs associated with terminating the use facilities operating on non-renewable energy and related transmission assets.	\$9.7 Billion	USDA (Rural Development)	Loans, Competitive Grants	FY22-FY31	Prevailing Wage	Rural co-op with certain threshold of customer base	New Program
	USDA Electric Loans for Rural Renewable Energy (Sec. 22001) - Generation of renewable energy for resale to rural and nonrural residence, including wind, solar, geothermal, hydropower, and biomass.	\$1 Billion	USDA (Rural Development)	Competitive Grants	FY22-31	Prevailing wage	Developers, local, state, tribal governments, co-ops, non-profits	Existing Program
	USDA Rural Energy for America Program (REAP) (Sec. 22002) - Deployment of renewable energy for rural business and agricultural producers. Technologies include; solar wind, biomass, geothermal, hydro, hydrogen, and energy efficiency improvements.	\$1.9 Billion	USDA (Rural Development)	Competitive Grants, technical assistance	FY22-31	N/A	Rural businesses and Agricultural Producers	Existing Program

**Table 16. U.S. Department of Transportation (DOT)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Industrial Transformation	Low-Carbon Transportation Materials (Sec. 60506) - For the DOT Federal Highway Administration (FHWA) to reimburse eligible recipients for the incremental costs of using low-embodied carbon construction materials and products in projects.	\$2 Billion	DOT	Competitive Grants	FY 22-26	N/A	States, local governments, political subdivision of a state, territory, Tribes, any recipient of funds under the Federal Lands Transportation Program, metropolitan planning organizations, special purpose district or public authority with transportation function	New Program
EV Deployment, Automotive Manufacturing, and Supply Chain	Neighborhood Access and Equity Grant Program (Sec. 60501) - Awards grants to state and local governments to improve community walkability and connectivity through the removal, retrofitting, or replacement of roads and highways.	\$1.893 Billion	DOT (FHWA)	Competitive Grants	FY22-FY26	\$1.262 Billion reserved for projects including those serving DACs, those with CBAs, and those with anti-displacement policies or community land trusts	States and Territories, Tribes, Units of Local Government, Political Subdivisions of a State, MPOs, Special Purpose Districts and Public Authorities with a Transportation Function, Non-Profits and Higher Ed in partnership with any of the above	New Program
Cross-Cutting Investments	Funding for environmental review (Sec. 23001, 50301, 50302, 50303, 60115, 60402, 60505, 70007) - Funding for federal agencies to ensure efficient and effective environmental reviews for large federally funded projects.	\$995 Million	DOE, FERC, DOI, DOT (FHWA), EPA, USFS, CEQ, Federal Permitting Improvement Steering Council	N/A	FY22-26	N/A	N/A - internal federal agency funding	N/A

**Table 17. U.S. Department of Housing and Urban Development (HUD)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Industrial Transformation	Low-Carbon Affordable Housing (Sec. 30002) - The U.S. Department of Housing and Urban Development (HUD) to fund projects that implement low-emission technologies, materials, or processes or address climate resilience of multifamily properties.	\$837.5 Million	HUD	Project Grants and Direct Loans	FY 22-28	N/A	Any owner or sponsor of an eligible property - defined as a property receiving project-based assistance pursuant to the Housing Act of 1959, the Cranston-Gonzalez National Affordable Housing Act, and the U.S. Housing Act of 1937	New Program
Buildings	Improving Energy Efficiency or Water Efficiency or Climate Resilient of Affordable Housing (Sec. 30002) - Eligible owners and sponsors receive grants and loans to improve their buildings' energy efficiency, water efficiency, and resilience.	\$1 Billion	HUD	Direct Loans, Competitive Grants	FY22-28	Owners agree to extended affordability of the property	Owners and sponsors of HUD-subsidized Section 202, 811, Project-based Section 8, and Section 236 properties that agree to an extended period of affordability	New Program

**Table 18. U.S. Department of Labor (DOL)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Supporting Energy Transition Workers and Communities	Black Lung (Sec. 13901) - Permanently extends the tax to fund the Black Lung Disability Trust Fund.	N/A	DOL (OWCP)	Excise Tax	Permanent	N/A	Coal miners disabled by Black Lung and their dependents	Existing Program

**Table 19. U.S. Department of Defense (DOD)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Clean Technology Manufacturing	Defense Production Act (DPA) (Sec. 30001) - Funding for DPA, which the Biden administration is using to spur growth in clean technology manufacturing.	\$500 Million	DOD/DOE	Purchase agreements, loans and loan guarantees, or technology procurement	FY22-FY24	N/A	N/A	Existing Program

**Table 20. General Services Administration (GSA)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Industrial Transformation	Low-Carbon Federal Buildings (Sec. 60503) - To the Federal Buildings Fund to acquire and install low-embodied carbon materials and products for use in the construction or alteration of buildings under the jurisdiction, custody, and control of the GSA.	\$2.15 Billion	GSA	Competitive Contracts	FY 22-26	N/A	N/A	Existing Program
Buildings	High Performance Green Buildings (Sec. 60502) - Provides funding to the GSA to convert GSA facilities to high-performance green buildings.	\$250 Million	GSA	Federal Buildings Fund; Internal Agency Budget	FY22-31	N/A	Federal facilities	Existing Program

**Table 21. Federal Emergency Management Agency (FEMA) and National Oceanic and Atmospheric Administration (NOAA)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
Industrial Transformation	Low-Carbon Disaster Relief (Sec. 70006) - Authority to provide financial assistance for costs associated with low-carbon materials and incentives that encourage low-carbon and net-zero energy projects (with increased federal cost share).	N/A	FEMA	Competitive Grants and Technical Assistance	FY 22-26	N/A	States, local governments, Tribes	Existing Program
Healthy and Resilient Communities	NOAA National Coastal Resilience Fund (Sec. 40001) - For the conservation, restoration, and protection of coastal and marine habitats, resources, Pacific salmon, and other marine fisheries, to enable coastal communities to prepare for extreme storms and other changing climate conditions, and for projects that support natural resources that sustain coastal and marine resource-dependent communities, marine fishery and marine mammal stock assessments, and for related administrative expenses.	\$2.6 Billion	Commerce (NOAA)	Contracts, Formula Grants, Cooperative Agreements, and Technical Assistance.	FY22-FY26	Secretary may waive or reduce the required non-Federal share	Coastal states, Governments, non-profit organizations, local governments, and institutions of higher education	Existing Program

**Table 22. United States Postal Service (USPS)**

Priority Area	Program Name and Description	Funding Level	Administering Agency or Office	Funding Mechanism	Timeline	Labor, Equity, and Domestic Content Standards in Text	Eligible Entities	New or Existing Program
EV Deployment, Automotive Manufacturing, and Supply Chain	USPS Clean Fleets (Sec. 70002) - Deposits funding to the Postal Service Fund for the purchase of zero emission delivery vehicles and the purchase, design, and installation of ZEV infrastructure.	\$3 Billion	USPS	Deposit to Postal Service Fund	FY22-FY31	N/A	USPS	New Program



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